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THE INCOME TAX.

The excise of five per cent on "gains, profit or income," levied by the Internal Revenue Act, expires by limitation with the year 1870. A committee of Congress is now engaged in revising that act, with a view to remitting so much of the burden it imposes on the people as is not necessary to maintain the national credit. The revenues are now sufficient without that tax; and Congress may either repeal it, and retain all the rest of the taxes, or may retain it, at least in part, and so have a surplus to apply in the remission of other duties. Both plans have their earnest advocates; and the subject seems to call for a careful examination of the arguments for and against the tax in question, if we would reach a correct conclusion as to the advisability of its continuance, modification or repeal.

I. For the tax, it is urged with much force—

1. That it is the cheapest of all sources of revenue to the people, in proportion to the amount it yields. Other duties, collected upon goods at the place of manufacture or of importation are greatly increased and even multiplied in amount, before they are paid by the consumer. For instance, the excise on cigars, tobacco and liquors is collected of the manufacturers, who advance it to the government. In selling their goods, they must obtain a business profit, not only on the cost of materials and labor, but also on the capital taken from them by the tax. The "special" or license duties have a similar effect on business; and the same is true

of the import duties on iron, woollens, sugar and other goods. Thus, if the importer's profit is only fifteen per cent, the jobber's profit ten per cent, the wholesale dealer's ten per cent, and the retailer's twenty per cent—all of them moderate rates—it is evident that for every dollar of tax paid by the importer, the consumer—who purchases from the retailer—must pay him one dollar and sixty-seven cents. That is to say, the people must pay, on the average, \$1,070,000 for each million that the government collects from such duties as these, while the income tax takes from them only the amount actually paid to the treasury. In practice, the difference is probably greater than this.

2. That it is the only tax which bears any proportion to the ability of the taxpayer; or to the interest he has in the protection afforded by the government; the two considerations which ought to control the distribution of the burden. Compare for instance the sources from which thirty millions of dollars collected upon the importation of sugar are drawn, with those from which the income tax takes the same sum. Every person in the country consumes sugar; the amount of the sugar tax paid by each citizen depends, not so much on his wealth as on the number of his family. If the whole revenue of the government were collected from this duty, it is probable that some men whose property yields them hundreds of thousands of dollars every year, would actually pay less of it than many others who support a large household by their daily labor. The case is nearly the same with all taxes on manufactures or on traffic; they are, in the end, taxes on consumption, and are distributed according to the number of people dependent on the taxpayer rather than on his ability. If the income tax is repealed, the great body of the taxes remaining will be of this character, and their heaviest burden will fall on the clothing and the food of the people.

3. It is also said that the income tax is cheaply collected; that it yields the largest revenue of any single duty in the internal revenue; that if it is repealed, certain other taxes, which are peculiarly burdensome, must be retained; and that the experience of Great Britain, where the income tax was first levied to meet a temporary exigency, but has become a permanent part of the revenues of the kingdom, proves that it is the most equitable and the easiest to bear of all forms of internal taxation.

II. On the other hand, objections are made to the Income Tax which deserve consideration. It is said:

1. That, admitting its theoretical equity, it is practically the in highest degree unjust. Being levied at a fixed rate on each man's "gains, profits or income," it fails to discriminate between the revenues of the rich idler and the earnings of the industrious working man. One citizen inherits a hundred thousand dollars in government bonds; he draws his interest,

and lives upon it. He is required to save nothing; for if he dies, he leaves to his family his capital unimpaired. Another owns a large tract in city lots, worth one hundred thousand dollars, which he holds and pays taxes on from year to year, relying on the ultimate rise in their value to enrich him. This value advances constantly, but as they yield no annual income, he pays no income tax: he even deducts, in reckoning his taxable income from other sources, the amount of State and city taxes he invests in his lots. A third has no capital at all but his hands and his brains. By exerting these to the utmost, and gradually wearing out his vital powers, he earns, to support his family, six thousand dollars a year. What justice is there in a tax which lays on the bondholder and the workingman precisely the same burden, while it exempts the lot-owner entirely?

2. That the Income tax is productive of fraud and perjury. Other duties are levied on amounts of goods or of business which cannot readily be disguised; on returns transcribed from books, which cannot be falsified without bold and wilful perjury, or without apparent danger of detection. But the Income Tax is necessarily made up from the returns of the taxpayer himself, who must compile them from all his accounts, public and private. It involves a variety of calculations, some of which are often intricate or doubtful. There is a constant temptation to interpret every point in his own favor; to overreach, to conceal and to misrepresent; and this is done so easily that men who have always maintained the highest character before the community have frequently been misled into the loss of conscience and of reputation. It has been deliberately affirmed by officers among the very highest in the administration of this law, that at least one-half of all the money due to the treasury under this tax is fraudulently withheld; and that the inefficient collection of it is among the most powerful means of corrupting the commercial morality of the nation.

3. That even this imperfect administration of the law has been peculiarly annoying and oppressive to tax-payers, because of the inquisition it necessitates into affairs which every man wishes to keep to himself. In order to expose frauds, officers have published lists of the income returns, and public curiosity has seconded this measure, stimulating the press to give the widest currency to the facts. This is of itself distressing to the modesty or the pride of many; especially to all who are struggling under embarrassments, to improve an unprofitable business, or to sustain social appearances. But all this is as nothing, compared with the inquiry made, and necessarily made, by assessors and their assistants, with the help of spies and informers who are on the search for rewards, into the private affairs and accounts of the unfortunate man, who is suspected, on whatever

grounds, of having made too low a return. Under such an investigation nothing is sacred. Every book or paper must be produced when called for, and the whole history of his business life disclosed, under the severest penalties for concealment. Such methods of collection, say the opponents of the tax, are not adapted to a free people, and ought to be left to governments whose subjects are familiar with oppression, and untrained to a self-respecting independence.

4. It has been further frequently objected to the Income Tax that it is a direct tax, the most direct tax, indeed, which a government can levy, inasmuch as the whole burden of it falls upon the person from whom it is collected; while all duties or excise taxes paid by importers and manufacturers are afterwards added to the price of goods, and so fall indirectly and at last upon other persons. But, it is added, the Constitution expressly provides that no direct taxes shall be collected from the people by Congress; but that such taxes must be levied upon the States, in proportion to their population; so that the Income Tax violates the Constitution. This objection, however, although it might seem formidable if the question were a new one, is sufficiently disposed of by the expressed opinion of the Supreme Court of the United States, that the Income Tax is not a direct tax, within the meaning of the Constitution.

III. It must be admitted that the arguments on both sides are of great force; and it is not surprising that those who look at either side alone, should form the conclusion hastily that the opposite view is unreasonable. But no valuable judgment can be formed on the subject without carefully weighing all the considerations stated above.

The reader who will take the pains to do this, will probably conclude that it is eminently desirable, both for the government and for the people that some part of the revenue should be collected by a general tax, levied upon citizens in proportion to their ability to pay, and that as much of the whole revenue as possible should be collected at once by the Government from those who must ultimately pay it, so as to avoid the additions necessarily made to all indirect taxes by the profits of middlemen. But he will also see that the Income Tax, as levied under the present law, is unjust, and that it injures public morals more than it benefits the public purse. The question naturally arises, therefore, whether it is possible to amend the tax, so as to remove its worst features; and to retain its advantages. If not, most candid students of the subject will probably agree that it were better to suffer it to expire altogether. We think that amendments are perfectly feasible, which will remove every important objection to the Income Tax, beyond those inconveniences which are inseparable from all heavy taxation, and still leave it one of the most productive, as it certainly would then be one of the most equitable, of all sources of revenue.

1. Let the rate be reduced to three per cent as a maximum. This will greatly diminish the temptation to fraud in all cases. The long experience of the British government has proved that the productiveness of a tax is always far less in proportion when the tax is high than when it is low; and that this is peculiarly the case with the Income Tax. Five per cent, or one dollar in every twenty, is a very severe burden to citizens in general; and the reduction of this by nearly one half is pretty certain to reduce, in a still greater proportion, the number of those who think it worth while to attempt fraud or concealment in their returns.

2. Let some provision be made for equalizing the burden, as between incomes from invested funds, and incomes from personal services or labor. This might be done with scientific exactness upon the principles of Life Insurance. Thus, it may fairly be said that a man at thirty years of age who has a salary of \$7,816 a year is equal in income to a man who has \$6,000 a year from interest on government bonds or mortgages, because the former may with \$1,816 a year (net premiums) insure his life for \$100,000; and therefore, if each of them spends six thousand dollars a year, each of them may fairly expect to leave the same capital to his family.

But it is not necessary in practice to adopt a plan which requires so much calculation as this. A simple rule, easily applied by every assessor or taxpayer, will be found to meet the law with sufficient exactness, and to make the tax substantially equal. Let all incomes from rents, or from profits, or the sales of real estate, dividends on stock, or interest of loans, pay three per cent; let all income from trade or manufactures, which the taxpayer himself conducts, pay two and a half per cent, and let all income earned by personal labor, whether mechanical or professional, pay two per cent.

3. There ought to be a change in the exemptions allowed by the present law. It is worthy of consideration whether it would not be well, instead of deducting one thousand dollars from each income, to represent the necessities of life, to make the deduction a certain amount for each person dependent on the income returned. The exemption needed by the father of a large family is certainly greater than that needed by a man who has no wife or no minor children. If three hundred dollars were allowed for each person supported exclusively by the income in question, it would greatly relieve those on whom the burden now falls most heavily, without increasing the aggregate amount exempted from the tax.

But, in any case, the exemption of house rent ought to be abolished or limited. The money paid for a house has no more claim to be free than that spent in food and clothing. In fact, luxury and extravagance are shown more in this item than in any other. If it be necessary to relieve

laboring men entirely from the tax on so much as they must spend for a home, let the general exemption be increased by a suitable fixed amount for the purpose; but do not, on this account, take the tax from wealth and display. The deduction we have suggested would be enough to exempt all the absolute necessities of life, including shelter, entirely from taxation, and beyond that, it is only fair that every citizen should contribute according to his ability.

With these changes, the income tax will be free from the most serious objections now urged against it. The temptation to fraud will be so much diminished that fraud itself will certainly decrease. The administration of the law, however, will also require much improvement. We are glad to learn that Mr. Delano has already forbidden assessors to furnish income lists for publication. We trust that Congress will second this movement by making the information contained in the returns strictly confidential, and will forbid any officer to make it known, unless it becomes necessary to present it as evidence in a court of law, in a suit against a delinquent. There is no reason why the investigation into suspected returns should not be made by confidential agents, under the seal of secrecy, and thus without any of the violence and publicity which have often marked such proceedings. In Great Britain, the Commissioners of Inland Revenue have long acted on this plan, and their success has been complete. Even at fourpence on the pound, or one and two-thirds per cent, they expect to collect one-half more revenue from the income tax than the United States received last year at five per cent, although no one believes that the actual income of the United Kingdom is three times as great as that of this country.

It must be remembered that no tax can be devised which shall not be at once a burden and a temptation to those who pay it. If the thirty millions of dollars now collected from incomes are given up, other taxes against which similar objections may be urged, must be retained. It is then the duty of Congress to consider, not whether any or all forms of taxation may be objected to, but which of them, on the whole, can produce the required revenue with the least burden and injury to the people, and we are inclined to believe that, by retaining the income tax in the modified form we have suggested above, it may be confidently expected to yield twenty millions of dollars every year; a sum which may then be applied to the remission of other duties, which are now a heavy burden upon those laboring men of the country, whose whole receipts in the year are not great enough to bring them within the reach of this, which is emphatically the rich man's tax.

A STEP BACKWARD.

The Supreme Court of the United States, on motion of the Attorney-General, has ordered a reargument of the question whether Congress, under the Constitution, has the power to make paper a legal tender for the payment of debts contracted under a specie currency.

It is but a few weeks since this question was decided by the Court in the negative. The decision was generally accepted, as every decision of the highest legal tribunal ought to be accepted, as final. The direct effect of it on existing obligations is not of very great importance. The debts now outstanding to which it applies consist of the bonds of a few corporations, issued before 1862, and some old mortgages on real estate. In several instances in which the interest upon these debts fell due during the few weeks after the decision was rendered, it was voluntarily paid in coin, according to the law as laid down by the Court. In other instances, private settlements were made, on terms satisfactory to all parties. In spite of the clamor raised by a few political advocates of unlimited paper issues, it was evident that the intelligence of the nation was with the Court, and that the decision would soon be generally accepted and acted on as unquestioned law.

The action of the Court was immediately known by telegraph in Europe, and made a deep impression on the public mind. It was welcomed by all friends of this country and by dealers and investors in our national securities, as an emphatic proof of the determination of the United States to fulfil their obligations in good faith. If even Congress cannot change the terms of a contract, but our Courts will enforce an equitable obligation against the will of our highest legislature, the world must see that the public faith of this country is sure to be kept. This view was at once expressed by leading journals in Europe, and the bonds of our government advanced in price.

Now all this is changed. The rights and duties of the creditors and debtors concerned are again unsettled. The movement towards equitable and fixed principles in the public mind is checked. The first decisive step made by the country towards specie payments is reversed. The strongest support which the generous confidence of the European purchasers of our bonds has found is destroyed. And if the recent decision of the Court should now be reversed, not only will the good it did be undone, but the evil it went so far to undo will be done again, and then multiplied.

Nor is this the worst. The decision in the case of *Hepburn vs. Griswold*, now to be reviewed, applied to a contract made when gold was the only legal tender, but in which no specific agreement for payment in gold was included. But the Court had previously decided, in the famous gold

contract cases, that when such an agreement to pay gold was embodied in the contract the Legal Tender Act did not set it aside and make payment in paper a satisfaction of the debt. Now, lawyers generally hold that this decision substantially covered the case of *Hepburn vs. Griswold* also, and all similar cases of contracts for dollars. If the only dollar known to the law in 1861 was the gold dollar, then a contract for a dollar generally was just as much a contract for a gold dollar as if the latter had been specified. It follows that if Congress cannot modify the special contract for a gold dollar by a legal tender act, it cannot so modify the general contract in which the gold dollar is, by clear and conclusive implication, equally demanded. It would be in the highest degree absurd to hold that if a man in 1861 agreed to pay a thousand dollars in gold to one man and a thousand dollars to another, both contracts having at the time precisely the same meaning in law, Congress could afterwards change the latter contract and make it mean paper of uncertain value, and yet could not in any way affect the other. No decision affecting to limit the constitutional powers of a great Government by verbal accidents like this could be respected. Having decided that the contract for gold must be enforced in gold, the Court was bound in self respect to decide as it did in the Legal Tender case—that the contract which meant gold must also be enforced in gold, although the word gold was not expressed in its written form.

Now, if the decision in the case of *Hepburn vs. Griswold* is unsettled, and is to be reversed, what becomes of the previous decision upon gold contracts? The least that can be said is that this is unsettled too. It has hitherto been accepted universally as established law; thousands of new contracts have been made upon the faith of it. Of these, those which have been made since the passage of the Gold Contract bill have at least the support of an act of Congress; but those made before that time, including many millions of railway bonds promising payment in gold, will be without the protection of the law. Nor will it any longer be possible to draw up a contract which shall not be at the mercy of Congress, and liable to be satisfied by payment of a portion of its value, if the inflationists should at any time obtain control of the Government.

Great as all these evils are, however, the present action of the Court is still more unfortunate, as it seems to us, in another point of view. Dismissing from view entirely the merits of the decision itself, and assuming it to be one of those numerous cases in which it is of much more importance to have a fixed rule than that that rule shall be logical, how does this backward step affect the Court itself and its relations to the Government and the people?

The first point which occurs to an observer is that the reconsideration

of an important question, just settled after elaborate argument, shows a startling instability in an institution hitherto regarded as eminently conservative. A decision of the Supreme Court has always been the end of controversy. Its moral weight has controlled the State tribunals, and influenced even those of foreign nations as prominently as its authority has swayed the subordinate courts of the nation. And this proud eminence has been gained for it not more by the intellectual strength of its opinions and by the thorough patience of its discussions, than by its consistent self-respect in recognizing and adhering to its own traditions and authority. It is startling at any time to see such a Court doubting its own judgments. It is still more startling to see it questioning the validity of its settlement of a question so important as this, to which the most careful and long continued study has been given. It is, above all, startling to see it doing this suddenly, immediately after the termination of its own protracted deliberations on the subject, and actually before there has been time for the official publication of the very decree it now reconsiders.

This would be bad enough of itself. It would go far to weaken the respect of the people for the Court. But the observer, unfortunately, cannot stop here.

When the recent decision upon the Legal Tender Act was made, it was confidently announced by irresponsible reporters for several daily journals that it could not be allowed to stand as law, but that the two vacancies then existing in the Court would be so filled as to throw the majority of the Court against the decision. When the names of the two new Judges were before the Senate for confirmation, the same report was renewed; and it was said that Judges Strong and Bradley were both committed beforehand against the previous judgment of the Court, and would, if confirmed, aid the former minority to reverse the decision. Against such intimations of interference with the independence of the Court the best part of the press uttered an indignant protest. At the time, we, in common with most of the influential journals of this city, pronounced the story incredible, and expressed full confidence that the decision would be respected and maintained.

But what shall be said, now that two Judges currently reported to be pledged in advance to reverse the decision, have taken their seats; and that their first important act has been, in connection with the minority of the court which dissented from the judgment in the case of *Hepburn vs. Griswold*, to destroy the authority of that decision by ordering a reconsideration of it? We do not believe nor suspect that any improper influences have been used; nor that any agreement has been made between these judges and any members of Executive or of Congress binding them to this disturbing course. We do not believe that Judge Bradley

as stockholder of the Camden and Amboy Railroad, is pecuniarily interested in the question; nor that he, as counsel to that corporation, and Judge Strong, as counsel to the Pennsylvania Railroad, have already so committed themselves to a definite opinion upon it, as to make it improper for them to try the case. We cannot believe that, if these reports were true, these gentlemen would take any part in the matter whatever. But the difficulty is not in our belief, nor in the belief of those who know the character of the judges, and are determined to respect it. The difficulty is in the action of the court itself, and in its effect upon the mass of minds; upon the great body of the people, who have no knowledge, and can have none, of the characteristics of individual judges. They hear these rumors; they read in the journals statements which indicate that the Supreme Court is to be packed for a purpose; that its decisions are trifled with by politicians, for political ends; that its independence is gone. They then see that the action of the courts accords at all points with the rumors and predictions which are so discreditable to it. How long is it possible, under circumstances like these, to maintain the respect and confidence of the people towards our highest legal tribunal? Yet if that respect and confidence are lost, surely the very foundations of our greatness as a nation will be seriously impaired.

There is room to hope that the court, after another argument, will still adhere to its former decision. In that case, and especially if the final settlement of the question be not delayed, the only harm done will be in the injury the authority of the court will suffer from its apparent vacillation. But if, as the order for reconsideration seems doubtless to indicate, the previous decision is to be reversed, and the unlimited power of Congress to interfere with private contracts by issues of paper currency is to be affirmed, the whole financial policy of the country will be thrown back into the political arena, and for the future the only security for wisdom in our financial statesmanship must be sought in the wisdom of the national legislators; that is to say, in that of the people whom they represent. Even if instability and subserviency should invade our courts, and political schemers, for a time, control alike the making of our laws and their administration, the cause of wise principles and of national honor still has a refuge in the general and growing intelligence with which the people regard these questions; and whatever might be done by a court suddenly and temporarily reconstructed for the purpose, to confuse and postpone the establishment of sound financial doctrines, or to impair its own position and influence, we are sure that in the end that united and irresistible public opinion, which is the support and the master of both courts and legislatures, will make the late decision of the Supreme Court upon the Legal Tender Act the permanent decision of the nation.

The American people believe to day, more strongly than ever, in a sound currency, and in the strict adherence to good faith in enforcing all contracts, public and private.

FINANCIAL CONDITION OF THE PRODUCING CLASSES.

The slowness with which collections are made, especially in the Middle and Western States, has to some extent unsettled confidence in the financial soundness of farmers and planters—the great producers of the country—and in this distrust, some of the commission houses which have connections with and depend more or less upon them, are somewhat involved. It may be doubted, however, whether these apprehensions have any substantial basis. It is true, prices of the products of the farm and the plantation have materially depreciated; but with respect to many of them, there are compensating circumstances of varying importance, either in making good the decline or in weakening its effect, whether upon the grower or upon the factor.

Thus, for instance, in the case of cotton, the loss to the South in the lower price is of very small importance, as they even now receive much more than the cost of production, and, besides that, the increased production more than makes good the decline. Putting the crop at three million bales, the cotton growers will receive more gold value for the crop of the current year than for any crop of cotton that was ever raised in this country; for the decline, it must be remembered, was mostly in currency prices, and the currency, while the decline in Middling Uplands from 30 cents to 22 cents was going on, appreciated from 70 cents to 88 cents on the dollar. The planter, if he has received nominally less for his cotton, has been paid in a currency whose purchasing power has largely increased. To the factor, whether commission or bank, this circumstance has been of less advantage; but, fortunately, the downward turn to prices was given in September, before cotton began to be marketed freely, and factors thus received early admonition to prudent action, which they seem to have heeded; for, except in the case of a few operators for a rise, no serious financial difficulties have attended the moving of the present cotton crop.

The tobacco crop, especially in Kentucky, was very deficient, but this deficiency has resulted in the maintenance of even extravagant prices in a constantly appreciating currency, while, of course, factors are safe, and speculators in clover.

The pork crop was a full one, and owing to the lateness of the export demand, with much uncertainty respecting its amount, there was a serious decline from the highest point. And yet, when large numbers of hogs were being marketed, prices were high and advancing, and the

break in prices did not occur till a considerable portion of the crop had been marketed. Thus the feeder of swine cannot have suffered much, especially in view of the increased purchasing power of the currency; while the recent reaction in prices to those current last October, with every probability of a further improvement, must secure the financial branch of the business, and bring out operators for a rise about even. There have been some severe losses upon hops, butter and cheese, but these staples, although important to some localities, have had no extended influence, and their producers have been partially made good by the circumstances adverted to already.

We come now to a branch of the subject of which so favorable a view cannot be taken. We refer to Breadstuffs; Wheat, in particular. In the middle of last August, No. 2 Spring Wheat sold in Chicago at \$1 45 per bushel; it has since declined to and rules now at about 75 cents per bushel, a fall of nearly fifty per cent. Of course, no appreciation of the currency can make good more than a moiety of this; and one of the main causes of it,—namely, the vast accumulations in store,—will not permit of any doubt that commission houses, as well as shippers, and speculators for a rise, have been severe losers. But what was the history of this crop in the previous three years? Every one connected with it—at least all those who have been in position to be losers now—realized, large profits; fortunes were made and the losses that have been incurred have but to be deducted from previous gains. Another cause of the decline is also an agreeable one, and that is, the exceedingly abundant crop of fine Winter Wheat which was raised last season. Whole sections of country which, for two years, had been buying their bread, have had a liberal surplus to spare; and are certainly in a much better position, both as regards their ability to pay and as to their resources for the future. The Northwestern farmer who, but a short time since, received two dollars a bushel or more for his Wheat, cannot be expected to be very well satisfied on selling at less than 75 cents; he will feel poor, and show a disposition to hold on to any money he has; but he is far from bankrupt and will soon adjust himself to the new state of affairs. He has been getting high prices for nearly every other thing which he may have had to sell; while the lower wages and the diminished cost of whatever he may be compelled to purchase this spring, will be a comfort to him. If the crop of Corn has been short, it has been partially made good to the producer by an abundant yield of Hay and Potatoes, while Oats and Barley, though lower, have brought fairly remunerative prices. There have been a few failures here and at the West among commission houses having Breadstuffs connections, but none of them were first-class houses, and there does not appear to be any embarrass-

ment of a general nature apparent. Still, the stocks in store must be more fully worked off before a close financial survey can be made in this direction.

From what we have said above, it is evident there is no cause for alarm as to the standing of either producers or commission houses. They have met with losses the past season, but they have secured large gains during previous seasons; and although our planters and farmers and graziers are slow of payment now, they are still prosperous, and there are reasonable prospects of a decided revival of trade as soon as the uncertainties which hang around the financial future of the country are removed.

SUSPENSE.

Congress lingers over the Tariff and Funding bills, and the whole business of the country hangs upon its decision. A rumor that the latter will be defeated has repeatedly strengthened the gold market; a belief that it will be passed has as often weakened it again. For three months the condition and prospects of legislation have been the chief concern in mercantile life, and not the questions of supply and demand and the general principles of trade to which attention must be given in a healthy state of affairs.

The discussions, however, go on in Congress and its committees as leisurely as if all time were before them and nothing whatever to be lost by delay. Of this alone we should not complain, so long, at least, as any time may be needed for the most mature deliberation. But when those who control these matters for us show that to them delay is a matter of utter indifference, and that they do not see, or do not regard, any of the interests to be affected by it, there is reason for decided remonstrance.

In the case of the Funding bill, Congress keeps a threat of disturbance hanging over the exchanges, such as paralyses business enterprise. For while no two students seem to agree as to the precise workings of Mr. Boutwell's scheme, yet all admit that if it be adopted, and if a serious attempt be made to carry it out, it will seriously disturb the money market; and few are desirous of entering into new engagements in the face of it. Hence, until it is either passed or defeated, this general impression that it will produce a crisis of some kind is as effectual in checking business as if that impression were well-founded.

The Tariff, too, drags on very slowly in the House of Representatives. But, as if to prolong for many months more the uncertainty and suspense which any considerable change of duties must bring upon so many markets, an amendment was adopted last week by the Committee of Ways and Means postponing until October next the operation of the bill.

For instance, early in the winter it was announced, apparently on authority, that there would be a reduction of duties on tea, coffee, and sugar. The whole of the trade in these articles at once began to prepare for the change. Old stocks were sold off for consumption, and were not replaced. Retail dealers and refiners supplied themselves only with what was necessary for immediate demands. Jobbers and importers left all goods in bond, and withdrew only as they sold the goods. In consequence of this the stocks of duty paid goods of these classes in the country are now extremely low. Should the reduction of duty take place immediately, the consequent fall in price would be little felt, for all are ready for it. But to be ready for it is to keep business dull. If the duty is reduced only to take effect after six months, this dulness will be prolonged through all that time. It will be impossible to bring about any revival of business. No one will send out foreign orders, to be filled before the change of duty, in the prospect of a fall in price, only the amount of which is uncertain. No dealer will purchase a large stock to hold for a decline, such as there will be in every kind of goods imported on which the duty is reduced. On the other hand, when the duty is raised upon any article the whole effect of the increase will be lost to the Treasury for a year or two to come by the postponement. For instance, should the duty on steel rails be raised to two cents a pound, to take effect in October, an immense importation of such rails will be made during the summer, in anticipation of the rise of price under the higher duty; and we shall have six months production of all English steel works, running on double time, thrown upon our markets to forestall the advanced tariff.

The only remedy for all this is to consider that time is an element of some importance in legislation. Let Congress take any reasonable time for deliberation; but let them act with decision, so soon as they have determined what to do, and put all these things on a permanent basis at once. When they have fixed on the best tariff they can devise let it be passed and stay passed. There is room for criticism against every tax law; it is at best a necessary evil; but, perhaps, the worst the country ever had, if it were once established and immutable, would be better than perpetual tinkering, lobbying, and suspense.

RAILROAD EARNINGS IN MARCH, AND FROM JANUARY 1 TO APRIL 1.

The returns of the principal lines of Western railway for the month of March show a decrease in earnings, more or less conspicuous, compared with the same month of 1869. The months, so far this year, have shown an alternate decrease and increase; beginning with January, the exhibit was unfavorable, but in the second month the loss of earnings

was generally recovered, so that up to the first of March the differences were generally on the side of increase. The last month, however, was distinguished for bad weather and heavy snows throughout the country, and probably in consequence of this, a majority of the prominent lines show a decrease in their earnings as compared with March, 1869. In the case of the Chicago and Rock Island Company an explanation is necessary to enable all parties to understand clearly the apparent decrease. This company publishes the *approximate* earnings for each month of the current year, similarly with many other companies; but unlike others, makes a comparison with the *approximate* earnings in 1869. As the earnings of each month of 1869, however, have been ascertained and published in the company's annual report, there seems to be no reason for taking two uncertain quantities, where one of them is accurately known. In 1869, the approximate earnings of March, as first reported, were \$397,740, the actual earnings, as subsequently printed in the report, were \$645,789, differing very widely from the other. With this explanation, no person will be misled by the figures in the table below, which do not agree with those previously published in the daily papers, and the figures for March, 1870, will probably be materially larger in the annual report when published:

RAILROAD EARNINGS FOR MARCH.

	1870.	1869.	Inc.	Dec.
Chicago and Alton.....	\$344,866	\$388,726	\$...	\$44,360
Chicago & Northwestern.....	872,114	1,142,165	...	270,051
Chicago & Rock Island.....	443,700	645,789	...	202,089
Clev., Col. C. n. & Indianapolis.....	214,161	239,522	4,639	...
Illinois Central.....	614,874	709,614	...	65,270
Lake Shore & Mich. Southern.....	1,16,697	1,140,000	22,697	...
Marietta & Cincinnati.....	101,379	103,558	...	2,179
Michigan Central.....	380,430	383,537	...	6,197
Milwaukee & St. Paul.....	377,900	419,952	...	42,952
North Missouri.....	219,161	136,363	102,898	...
Ohio & Mississippi.....	253,065	221,459	31,606	...
Pacific of Missouri.....	294,874	294,302	572	...
St. Louis and Iron Mountain.....	113,834	54,937	58,937	...
St. Louis, Alton & Terre Haute.....	172,216	175,950	...	3,734
Toledo, Wabash & Western.....	295,278	342,704	...	47,426
Total.....	\$5,938,709	\$6,401,498	\$221,369	\$684,158

For the first quarter of the year 1870, the thirteen prominent Western roads named below show a total gross earning of \$15,295,132, against \$15,437,063 for the same time last year, showing the comparatively slight difference of \$141,931.

EARNINGS FROM JANUARY 1 TO APRIL 1.

	1870.	1869.	Inc.	Dec.
Chicago & Alton.....	\$962,169	\$1,043,586	...	\$81,417
Chicago & Northwestern.....	2,358,801	2,843,569	...	484,768
Chicago & Rock Island.....	1,204,700	1,808,997	...	102,297
Cleveland, Col., Cin. & Indianapolis.....	684,261	634,862	39,399	...
Illinois Central.....	1,062,352	1,391,773	70,576	...
Lake Shore & Michigan Southern.....	3,107,430	3,027,590	73,840	...
Marietta & Cincinnati.....	291,655	277,590	13,965	...
Michigan Central.....	1,047,549	1,091,282	...	43,733
Milwaukee & St. Paul.....	1,155,994	1,204,315	...	48,321
North Missouri.....	648,469	350,911	297,558	...
Ohio & Mississippi.....	668,037	617,905	50,132	...
Pacific of Missouri.....	746,369	693,716	53,653	...
St. Louis, Alton & Terre Haute.....	483,396	460,964	22,432	...
Total.....	\$15,295,132	\$15,437,063	\$618,605	\$760,536

RAILROADS OF NEW JERSEY.

The following table presents an abstract of the Reports of the several Railroads of the State of New Jersey for the year ending Jan. 1, 1870, as presented to the New Jersey Legislature by Wm. K. McDonald, Esq., Comptroller.

Name of Road.	Cost of Road & Equipments.	Capital Stock.	Funded Debt.	Earnings.		Expenses.	Divid'd
				Freight.	Passengers.	Total.	
Camden & Amboy R. R.	12,361,557	5,937,850	12,001,401	2,788,541	2,535,423	7,612,969	4,672,776
Delaware & Bay River Canal.	4,647,683	4,993,600					10
New Jersey R. R.	8,313,163	6,743,300					
Jersey City & Bergen.	478,637	57,800	100,000	4,325	15,791	21,076	14,436
Perth Amboy & Woodbridge.	914,404	95,750		4,987	9,873	14,860	9,681
Milstone & New Brunswick.	113,404	45,408					
Rocky Hill.	45,705	925,870					
Belvidere.	8,977,313	925,870	2,344,500	567,574	100,975	668,549	759,633
Paterson & Transportation R. R.	330,193	160,011	243,730	6,993	9,345	17,038	31,183
Frederick & J. Mesburg.	635,691	230,844		31,977	31,948	63,925	67,769
Pemberton & Hightstown.	45,255	312,150	160,000				
Vincetown Branch of B. C. R. R.	712,392	333,978	355,000				
Camden & Burlington County.	1,602,437	1,308,900	1,716,500			632,184	436,633
The West Jersey.	809,350	447,000	409,306				
Cape May & Millsville.	280,733	81,570	17,000				
Swedesboro.	273,327	180,550	100,000				
Salmon.	237,451	1,000,000	400,000	86,323	305,500	391,823	301,404
Northern R. R. of New Jersey.	630,000	630,000	85,000				
Paterson & Hudson River R. R.	350,000	218,000	3,400,000				
Central R. R. of New Jersey.	10,871,343	15,000,000				4,079	36,570
Newark & New York R. R.	2,742,306	977,400	400,000			4,010,121	3,642,163
South Branch R. R.	362,370	438,300				157,463	80,024
Morris & Essex R. R.	2,759,002	7,830,100	11,779,870			2,492,691	1,914,389
Warren R. R.	2,059,080	1,547,650	5,140	421,964	29,353	454,759	300,140
Sussex R. R.	459,914	258,139	300,000			78,587	48,583
Orden Mine R. R.	455,791	450,000				88,582	36,415
Hibernia Mine.		100,000				43,318	28,977
Mount Hope Mineral.	177,353						
The Chester E. & W. Co.		36,596	100,000				
Newark & Bloomfield.		103,850					
*Raritan & Delaware Bay.	4,068,592	2,330,700	The Road is R. nted for \$3,600 per annum.				
Long Branch & Sea shore.	233,440	175,100	2,890,390 [Sold on forecl. Sep 14, '68]			213,463	177,900
The Camden & Atlantic.	2,093,153	1,120,504	112,926			71,601	31,283
			1,653,179	87,480	216,006	340,677	196,094

+ Five months.

* Re organized Sept. 14 under name of N. J. S. Southern Railroad.

SPAIN, CUBA, AND THE UNITED STATES.

BY AMERICUS.

I.—SPAIN, CUBA, AND THE UNITED STATES.

The United States, under all circumstances, have refused to intervene in the internal affairs of other nations. They have uniformly maintained the strict policy of non-intervention during the entire existence of the nation, thus following out the wise policy established by Washington under his beneficent administration. During this period, there have been great occasions to induce a departure from this policy of the Republic, especially when Spanish America was dismembered, and this people, following our example, renounced all political connection with Spain, and founded several sister republics. But, adhering firmly to our early policy, we maintained it during all these exciting struggles for free governments on this continent; and, in order to check a threatened intervention by allied Europe, being then encouraged by England, we announced the policy now known as the Monroe doctrine, which is: "opposition to any European intervention" in the affairs of America. Considering the weakness of the then United States, in 1823, it was a brave protest against the threatened action of the Holy Alliance, in reference to the affairs of the South American States, and, united to the attitude of England, it checked that threatened interference. Since that time, and while we were almost broken up by our late convulsion, France, England, and Spain invaded Mexico to compel redress of national grievances; but Spain and England immediately withdrew from Mexico when they discovered that Napoleon had other views, and had broken the Convention of London, upon which the intervention was founded. That intervention is too fresh to be narrated. It caused the disastrous attempt of Maximilian to found a monarchy upon Mexican soil, and the final withdrawal of the French, and his melancholy death. This was the first, and it doubtless will be the last, European intervention in America, for the Napoleon dynasty is now tottering under the discontent of France. But America will not soon forget the noble and manly letter of the commander of the Spanish forces, General Prim, addressed to Napoleon, dissuading him from the attempt to impose a monarchy upon the Mexican people; and had Napoleon followed the advice of that letter it would have saved France not a little humiliation, and have kept Napoleon from the first step in his decadence and fall. Such deception, intrigue, and failure lowered him in the eyes of France, and he is at present saving his own throne by slowly yielding to extorted concessions. It is now an opportune moment for his late private secretary, Mr. Laguerronniere, to issue another able pamphlet in vindication of the Napoleonic policy of Mexican inter-

vention and recognition of the Confederate States, in order to dismember and check the growth of the United States. But in the turn of events General Prim now exercises great power in Spain, and let him not forget the advice he gave Napoleon in 1862, and act upon those principles, and he will once more prove himself wise and firm, and fitted to act a great part in the affairs of Spain. He will not thus overlook the crime of Napoleon III., and will draw a lesson from this historic event of a ruler thus attempting to impose governments upon an unwilling people, and he may thus profit by that example, and apply it to the situation in Spain at this juncture.

General Prim, and those acting with him, must observe that this is an age full of political change. The *London Times*, in its retrospect on the past year, remarks that wherever we turn among the States of Europe we see governments in transition. It is plain to ordinary vision that mankind are advancing in civil affairs, and will demand the rights of men, or "the right to be well governed," as Charles James Fox well said in the last century. Thus nations must be ruled henceforth, and intervention can not stop it in the Old or New World, whether on American or European soil. So the age of Holy Alliance is gone, and there will be few more interventions by monarchies to repress free nations. The future rather portends that the nations will intervene to be rid of despots. Look at France, at England, Austria, Italy, Spain, and the United States; they all demand reform, and it can not be longer delayed. Not a nation in Europe but is liberalizing its constitution, and America has just proclaimed universal emancipation, and has equalizing the rights of men under revision. Everywhere monarchs are conceding to the people, and our American example is thus changing the world, and that without any intervention in the internal affairs of other nations. Thus the age of the Holy Alliance and the repression of liberal government is at an end. And what a cycle of events from the Holy Alliance to this day! and what a change has come over the world! It was despotic; it is now free; not absolutely, but comparatively free.

Spain now finds this free spirit renovating her institutions. Animated by this spirit, Spain is reconstituting herself, and holding her colonies under a new and invigorated system of government. Yes, this ancient Spain, that once saw Roman grandeur dominate over her soil, and afterward held sway over half of Europe, while she colonized the New World, was in turn destined to decadence, until she sank to a second rank among the States of Europe. Through misfortune and misgovernment she hastened the loss of her great European and American provinces, which are never held long to advantage by any State. Such was the history of French colonization; but English colonization, however, appeared more

advantageous; yet the American colonies caused her a seven years' war, and their final loss. Spain clung to her colonies with pride and firmness. They were, however, too strong for the parent country, and she, like England, was forced to submit to their loss. Thus her South American colonies and Mexico became free States, and have been mainly distracted with civil wars ever since. Not any of these States have shown requisite stability, or that they possessed the elements of true and advanced civilization. They are wanting in the vital principle of order and cohesion, and afford little security to life and property. It is to be hoped that these States will yet reach these necessary conditions of a free State. Order is the first law of nature, and without this there can be no stable government in the world. That is a primary condition in every State.

Thus Spain has been taught by historic events that no country can long hold distant colonies when they become strong and self-reliant; and now she realizes that it is even wise to liberalize the policy toward Cuba and Porto Rico, although their strength could not long resist her power. She, however, comprehends that these colonies have been in the past alienated by the misgovernment of the recent dynasties, and she proposes to correct that at the earliest moment, and that as soon as Cuba shall accept the new order of things in Spain. That is the voice of Spain speaking to Cuba amidst the clangor of arms; and that voice will yet be heard when it is seen that independence is a dream and not a reality. It is said by the Cortes that Spain carries the olive branch entwining the sword, and Cuba will yet listen to the counsels of peace. That policy is commended by foresight and statesmanship, and will mitigate the calamities of civil strife, if firmly applied by those who are now directing the affairs of Spain.

Spain founded a provisional government in October, 1868, and it was first recognized by the United States. That recognition was unhesitatingly given as soon as the new government was established by the expulsion of Queen Isabella with the full acquiescence of the people. Immediately after, it was declared that an election would be held for the purpose of electing a Cortes with power to frame a new constitution, and that that body would be chosen by universal suffrage. The election was held, and a new constitution was framed and adopted. It is the freest and most liberal constitution now existing in any state in Europe. The people have been liberated under this new constitution, and freedom of the press, of speech and religion everywhere prevails under this constitution, both in Spain and her colonies. All the Spanish colonies are granted representation upon the same basis as it prevails in Spain, a deputy in the Cortes to every 45,000 inhabitants. Since the establishment of this new and invigorated government, under the direction of the Cortes, there has been

no little contention between parties as to what form of government should prevail, and as to who shall be king. It has thus become a very grave question in Spain, whether the people should not choose an executive head from leading statesmen, rather than inaugurate a new king. Already there is a law expelling the Bourbons. Thus Spain is much divided upon the question of administration, and it remaining unsettled, it is the principal cause of disturbance in Spain. If the Cortes should remit the whole question to the people, it would seem the most certain and sure way of settlement, and ought to appease all conflicting claims. But within ten days after the Spanish outbreak insurrectionary movements exhibited themselves in Cuba, and they made considerable headway, owing to the distractions that existed in Spain. They have so far been confined to portions of the Eastern and Central Departments of the island of Cuba.

II.—OUR RELATIONS WITH SPAIN.

The Cuban Junta have been for some time past obtaining signatures to petitions to be flooded upon Congress at its opening, to the end that the Government of the United States shall recognize Cuba as a belligerent. These petitions have been extensively circulated, and they have been laid before Congress, with all the real and manufactured names that the Junta agents have affixed. Such petitions were expected to make a great stir in affairs at Washington. Now we shall address a few considerations to sober-minded people, touching this policy of recognition of belligerency at this time. In this paper we shall not present the question of the right of the Government to recognize civil war in Cuba; but we shall consider the real relations we now hold to Spain as the last of the regenerated nations that has a liberal constitutional government for her people and colonies alike.

Indeed, the world was not prepared to see Spain rise up of a sudden, and strike down its ancient monarchy, and adopt one of the most liberal and democratic constitutions that now exist in the world; and yet, while we were gazing upon this spectacle with astonishment, we saw the deposition of a queen and the adoption of universal suffrage, and of an elective government and administration by the Cortes. That form of elective government has now existed in Spain about one year, and has carried forward constant and continued reforms. It has established an elective government, free religion, free schools, and free libraries, throughout the entire confines of Spain. It has made it a part of the constitution that the colonies of Spain shall have equal privileges, and shall be equally represented in the legislation of the nation. It has decreed and offered to the colonies a new system of laws and of government, which shall be enacted by their own joint voice and after consultation with them. Such

is the entire change of the government of Spain, that she now proposes to make her colonies equal parts of herself, and to govern them upon the footing of equal laws. Such is the proposed policy that *new Spain* now offers Porto Rico and Cuba. But unfortunately for Spain, the same course that led to the overthrow of the monarchy in Spain also led instantaneously to revolution in Cuba, and throwing off the home government. Cuba did not wait to see what might be done by the *new order* of things in Spain, but cast off her allegiance to Spain, and now seeks independence of the mother country. The island has been about equally divided during the past year, and the insurrection is not yet ended. The natives are the revolutionary party, and the natives of Spain residing in Cuba are for Spain; and had no recruiting gone to the assistance of the revolutionists from other parts of America, it is quite possible that the insurrection would now be suppressed. Much aid has been secured from the United States through sympathy and the love of adventure. Surely, those springing forward to the aid of the revolution have acted upon the misgovernment of Cuba by the old *regime*, or that they might share some of the spoils of anticipated victory and independence of Cuba.

Indeed, it must be said that the people of the United States, remembering the bad government that had afflicted equally Spain and Cuba in the past, sympathized with the revolutionists in this vigorous attempt to subvert Spain in Cuba. We think we may say this in justice to the people of the United States, who have always taken sides with attempts to establish liberal governments in the world. That is an instinctive and natural feeling of our democracy, and it makes itself usually felt against the old dynastic monarchies of Europe. And so strong is this sentiment in America, that we have not paused to consider that Cuba has not been misgoverned by new Spain, but by the cast-off *regime* of an antiquated dynasty. All things have there been changed, and the people rule in regenerated Spain as certainly as in any country of the world; since which freedom is established and common schools likewise throughout Spain, and the people may now become universally educated. We do not say that Cuba should have waited to see what this new constitutional government would accomplish for her; that was a matter for herself to decide; but we say that Americans, accustomed to take a just and wide view of political affairs, should keep in mind the exigencies of Spain, and consider what we owe to both in this civil convulsion and strife. Certainly there are two sides to the question, and we must consider under all these exigencies in which we are called upon to act, what are our duties to Spain, to Cuba, and to ourselves. Surely, if we take a purely selfish and interested view of the question, it is likely we should disregard any claims that Spain has upon the United States, and promote the con-

test now going on in Cuba, even though it might prove terribly destructive to Cuba herself. That would be our course did we wish to obtain Cuba at all hazards, by fair or by foul means. It is a grave matter for consideration—we mean our duty toward Spain and Cuba. At this time insurrection exists in Cuba, and it must win independence or be put down speedily. And now it is not for us, as a nation, to take sides with Cuba, for the reason that she may be crushed by war. She chose that peril in appealing to revolutionary measures, instead of accommodating herself to the new and liberal government now existing in Spain; she had not the prudence to wait for this reform. She hastily sought the opportunity of distraction in Spain to strike the blow that should sever her relations to Spain forever. She has chosen her course, and it is not for us to censure or advise her. She must abide her time, and deliver herself according to her strength, as all other peoples and nations have done in their trials and struggles for self government. Cuba lies so near to our doors that we keep her in full view, and believe that she is, after all, destined to ultimately become a part of this republic. That is the undoubted belief of our people, and it distorts our vision not a little when we consider our relations to Cuba and to Spain. Americans are human, and not less selfish than other peoples; and this splendid island jutting out a little from our coast, dazzles and benumbs our moral vision, and almost blinds us to the great events now going forward in Spain in behalf of free constitutional government, and makes us quite forget that this ancient and proud nation, after France, gave us most aid in establishing our own independence. When we go back to those times, and to the past and present of Spain, there is so much to excite our gratitude and hope, that we can see, after all, that Spain is quite as right in this contest for the retention of Cuba, as any nation can well be. We say this upon the new basis upon which Spain now rises up among the free nations of the earth; and this revolution will not end without restoring the old dynasty or a pure republic, and we believe the latter will prevail. They may elect their executive for life, but a constitutional republic is the necessity of Spain, and we do not mean that the United States shall now steal the best and brightest jewel from the republic of Spain. If we are to have Cuba, let us acquire her upon terms entirely unexceptionable, and without any bad faith to Spain. Less than this we can not afford, and less than this the people of the United States ought not to accept; for we should do unto Spain as we would have had Spain do unto us, when we were in the war for our national supremacy.

Such are the considerations that present themselves to our view at this juncture, when there is no certainty that Cuba can gain her independence; and it is not for the United States to prolong the contest by unseemly

recognition at this time. We have not sufficient evidence to hope that Cuba can win her independence, or even long oppose the power of Spain: and should we now inflame Cuba with misguided hope, leading her to great sacrifice, if not to inevitable destruction? We are not prepared to take sides with her, and it is a matter of national policy whether we should now recognize her as a belligerent. We do not dispute the right of every nation to thus recognize insurrection and war; but it is a matter of prudence and duty to Spain, not to make this recognition before the facts of the contest warrant it under the laws of nations. As an independent nation we can make this recognition, however it might be unwarranted and unsustainable except upon a selfish basis. Indeed, Cuba has prolonged the contest up to this time, principally owing to the fact that Spain has been settling her own revolution upon a stable basis, against the struggles of monarchy-men and extreme republicans at home. Now she is concentrating her energies against the remaining insurrection in Cuba, and we who have just risen out of our own national war should not be too eager or too hasty to throw our influence in favor of the dismemberment of Spain. Such are the just views presented to our people at this juncture.

We know, however, that men will clamor for the immediate recognition of Cuba as a belligerent, and then it will be urged that we must give our moral support to sustain the revolution in Cuba. We have maturely considered the whole question, and we see no opposing considerations that can break the force of our argument; and thus we say, that the United States must sustain the policy to which we are pledged as a nation; that while we would never consent to see Cuba transferred to some European power, at the same time we pledged ourselves never to rescue it from the hands of Spain. We were invited on a memorable occasion to become a party to a tripartite treaty, that pledged us, equally with France and England, never to acquire Cuba; but this pledge the United States respectfully declined in one of the most elegant State papers, as well as one of the best considered, that ever emanated from the late Edward Everett; and this policy thus established by the Fillmore administration, was afterward reaffirmed by Mr. Marcy, while he guided the affairs of State; and so, we say, we are pledged by these diplomatic papers to maintain the supremacy of Spain over Cuba, by repressing all attempts of our people to rescue this island from the government and possession of Spain. We will now proceed more particularly to show what promises we have heretofore made to sustain Spain in her rightful possession of Cuba. We shall first premise that expeditions had been fitted out from the United States against the island of Cuba and were suppressed by the firmness of the Fillmore Administration, and these forays, led on by uneasy Cubans,

caused the diplomatic proceedings to which we shall now more particularly refer.

The fitting out of expeditions against Cuba in 1851, was made the apology for an intervention on the part of England and France, so far as sending orders to their naval commanders to prevent by force the landing of adventurers on the island of Cuba, with hostile intent. Both powers made known these instructions to the United States, and in reply to this oral communication of the British *Charge d'Affaires*, it was answered by the President that so far as related to this Republic and its citizens, such an interference would be practically injurious in its consequences, and do more harm than good if admitted to be rightful in itself. Its execution would be the exercise of a sort of police over the seas in our immediate vicinity, and it would involve to some extent the exercise of a jurisdiction to determine what expeditions were of the character denounced, and who were the guilty adventurers engaged in them.

In reply to the note of M. de Sartiges, Mr. Crittenden said :—

"This intervention can not be viewed with indifference by the President. The position of Cuba, in the Gulf of Mexico, lying at no great distance from the mouth of the river Mississippi, and in the line of the greatest current of the commerce of the United States, would become, in the hands of any powerful European nation, an object of just jealousy and apprehension to the people of this country. A due regard to their own safety and interest must, therefore, make it a matter of importance to those who shall possess and hold dominion over the island. The Government of France and those of other European States were long since apprised by this Government that the United States could not see, without concern, that island transferred by Spain to any other European State. President Fillmore fully concurs in that sentiment, and is apprehensive that the sort of protectorate introduced by the order in question might, in contingencies not difficult to be imagined, lead to results equally objectionable."

In reply to this note, October, 1851, M. de Sartiges said :—

"The French Government is likewise of the opinion that in case it should comport with the interests of Spain, at some future day, to part with Cuba, the possession of that island, or the protectorship of the same, ought not to fall upon any of the great maritime powers of the world."

This explanation ended with the declaration by France that this interference was only intended against pirates under the maritime code of France!

In 1852, the ministers of these two countries addressed notes and a draft for a tripartite convention to the Secretary of State, in which the

three high contracting parties were to disclaim, "both now and forever hereafter, all intention to obtain possession of the island of Cuba, and they respectively bind themselves to discountenance all attempts to that effect on the part of any power or individuals whatever." These accompanying notes contained disclaimers on the part of England and France of any intention, and referred to the previous course of the United States, and added that all the three powers disclaimed all thought of appropriating Cuba, and all that remained to be done was to give practical effect to the views entertained in common by these powers. This they proposed to do by the convention, or by the exchange of notes to that effect.

In 1852 Mr. Webster replied to the separate notes of M. de Turgot and the Earl of Malmesbury.

"It has," he said, "been stated, and often repeated to the Government of Spain by this Government, under various administrations, 'not only that the United States have no design upon Cuba themselves, but that, if Spain should refrain from a voluntary cession of the island to any European power, she might rely on the continuance and friendship of the United States, to assist her in the defense and preservation of that island.' At the same time, it has always been declared to Spain that the Government of the United States could not be expected to acquiesce in the cession of Cuba to any European power. The present Executive of the United States entirely approves of this past policy of the Government, and fully concurs in the general sentiments expressed by M. de Turgot, and understood to be identical with those entertained by the Government of Great Britain."

He deemed it his duty at the same time to remind the ministers, and through them their governments, "that the policy of the United States has uniformly been to avoid, as far as possible, alliances or agreements with other States, and to keep itself free from international obligations, except such as affect directly the interests of the United States themselves."

The French and English Ministers, in July, 1852, again refer to the proposed convention, and explain the interests their governments have in the Island of Cuba, as standing in one of the great channels of the world's commerce, and also as to claims they have, as creditors of Spain, and add that it might be thought that the United States, by their declaration excluding other nations from profiting by the chances of future possible events, have not debarred themselves by that declaration from availing themselves of such events. They declared, in conclusion that the convention had but two objects in view;—

"The one a mutual renunciation of the future possession of Cuba; the other an engagement to cause this renunciation to be respected."

Mr. Everett becoming Secretary of State, answers these precedent notes in December, 1852, to the effect that the President declines the invitation of France and England for the United States to become a party to the proposed convention, and adds, that—

"The President does not covet the acquisition of Cuba for the United States; at the same time he considers the condition of Cuba as mainly an American question.

"The proposed convention proceeds on a different principle. It assumes that the United States have no other or greater interest in the question than France or England; whereas it is necessary only to cast one's eye on the map to see how remote are the relations of Europe, and how intimate those of the United States with the island." He then adds as one of the reasons of refusing to become a party to the convention, its certain rejection by the Senate, and he expresses a doubt—"whether the Constitution of the United States would allow the treaty-making power to impose a permanent disability on the American Government, for all coming time, and prevent it from doing what has been so often done in times past. In 1803, the United States purchased Louisiana of France, and in 1819 they purchased Florida of Spain. It is not within the competence of the treaty-making power, in 1852, effectually to bind the Government in all its branches, and for all coming time, not to make a similar purchase of Cuba.

"But the President has a graver objection to entering into the proposed convention. He has no wish to disguise the feeling that the compact, although equal in its terms, would be very unequal in substance. France and England, by entering into it, would disable themselves from obtaining possession of an island remote from their seats of government, belonging to another European power, whose natural right to possess it must be as good as their own—a distant island in another hemisphere, and one which by no ordinary or peaceful course could ever belong to either of them. The United States, on the other hand, would, by the proposed convention disable themselves from making an acquisition which might take place without any disturbance of existing foreign relations, and in the natural order of things. The island of Cuba lies at our doors. It commands the approach to the Gulf of Mexico, which washes the shores of five of our States. It bars the entrance of that great river which drains half the North American Continent, and with its tributaries forms the largest of internal water communications in the world. It keeps watch on the doorway of our intercourse with California and the Isthmus route."

Mr. Everett finally says that the President is convinced that such a treaty would fail, but rather invite the repetition of lawless attacks upon Cuba by bands of adventurers, and would—"strike a death blow to the conservative policy hitherto pursued in this country toward Cuba."

The two governments afterward protested against certain parts of the letter of Mr. Everett, and this led Mr. Marcy, in 1853, to give certain instructions to our Minister to England, in which he approved of the rejection of the "tripartite convention, for guaranteeing the Spanish dominion over Cuba," and said "the proposition was very properly declined."

He then reprehended the course of England and France in sending their ships of war on to our coast during the late disturbance in Cuba, without previous notice to our Government, and said that for many reasons the United States feel a deep interest in the destiny of Cuba, and will never consent "to its transfer to either of the intervening nations, or to any other foreign state. They should regret to see foreign powers interfere to sustain Spanish rule in the island, should it provoke resistance too formidable to be overcome by Spain herself. * * * We should very much regret that the general condition of things in Cuba, or any particular occurrence there, should be such as to act so powerfully upon the feelings of individuals among us, as to impel them to an unlawful enterprise against that island; but if, unhappily that should be the case, the Government of the United States will do its whole duty to Spain, and use all the repressive means authorized by law, or required by honor, to restrain our citizens within the limits of duty. In this respect Spain will have no good cause to complain, or any other nation a fair opportunity to interfere."

The policy of the United States as to Cuba was fully disclosed in the papers communicated by President Fillmore to Congress in July, 1852, and which comprised the correspondence on that subject, going back to 1822. Our policy ever has been, that, while we were content that the Spanish island should remain with Spain, we would never infringe the obligations of good neighborhood to obtain them otherwise than by a voluntary cession by Spain; yet we would never consent to see them pass into the hands of any maritime European power. England and France have been constantly apprised of this, and as early as 1826, we announced to France "that the United States could not see with indifference Porto Rico and Cuba pass from Spain into the possession of any other power," at the same time we declared to Spain that we could enter into no engagement of guaranty, as such a course was inconsistent with our standing rules of foreign policy.

In the summer of 1854, there was a joint note upon the Cuban question by Buchanan, Mason, and Soule, emanating from Ostend, while they represented the United States at London, Paris and Madrid, in which document they say:—

"Our past history forbids that we shall acquire the island of Cuba

without the consent of Spain, unless justified by the great law of self preservation. We must, in any event, preserve our own conscious rectitude and our self respect. While pursuing this course, we can afford to disregard the censure of the world, to which we have been so often and so unjustly exposed."

Such is the tone of a celebrated paper that proposed, in case Spain would not consent to sell Cuba to us, to take into consideration whether the United States would not, in a certain emergency, to prevent certain calamities in Cuba—meaning emancipation therein—be justified to seize the island and appropriate it to ourselves, to prevent its becoming another St. Domingo. Now we have emancipationists urging on the Government to aid Cuba in the insurrection to produce this emancipation, which the celebrated Ostend diplomats so much deprecated, and which, in their judgment, would justify us in seizing Cuba to prevent that dreadful catastrophe. Such is the turn of events that the two extremes have pushed, at different times, the seizure of Cuba for the most opposite reasons. So we say, in view of the settled and long-explained policy of the United States, that we cannot now aid Cuba in her attempt at independence without violating our own declarations and pledges made to Spain, and repeated during the last half century, touching our course as to the island of Cuba.

We summarize this policy in these words:—

1st. We have said that Cuba belongs to Spain, and, in consequence of her position to the United States, we cannot consent to see her transferred to any other European power.

2d. We have said that we will not in any manner covet Cuba, nor seek to rescue her from the lawful possession of Spain; and will repress all attempts from our citizens to thus deprive Spain of her possession.

3d. We have said, in the language of the American Secretary of State, Mr. Webster, that if Spain should refrain from a voluntary cession of the island to any European power, she might rely on the countenance and friendship of the United States to assist her in the defense and preservation of that island.

Thus strong have been our engagements to Spain that we have even pledged ourselves to use all repressive measures warranted under the laws of nations to avert any attack from our shores upon the island of Cuba; and we have pledged our friendship and nationality to assist Spain in the defense and preservation of that island, in case she would refrain from ceding it to any European power, Spain has fully complied with the condition, and we thus under the convention to aid her in keeping possession of Cuba, against all external force, if not against insurrection likewise; for the pledge was unconditional, and it is now completely operative. We are not to forget that we have assumed to control and dictate to Spain that

this transfer could not be made to European powers, without incurring the protest, if not the hostility of the United States, and we have said, in that connection : Retain that island, and we pledge the friendship of the United States that your rights to Cuba shall not be disturbed, but we will aid you in defending this possession of Spain. Thus our present administration find that the Government is under solemn guaranty not to aid any attempts to rescue this possession of Spain, but must exert its good faith and friendship to maintain the *statu quo ante bellum*.

III.—RECOGNITION OF CUBA.

Can the United States Government legally recognize Cuba as a belligerent, upon the facts of the case? In considering this question, we shall accept certain principles laid down in the papers, emanating authoritatively from the Department of State, as sound law, bearing upon the question. We shall especially rely upon the latest exposition of the Secretary of State, in his instructions to our Minister to England, touching our claims against England for breach of neutrality. In that paper our complaint is repeated that the recognition of the Confederate States by Great Britain was unwarranted at the time it was made; was an act injurious to the United States, and so hasty as to appear unfriendly to us. It does not appear distinctly whether Mr. Fish, like his predecessor, Mr. Seward, intends to press a reclamation for damages arising out of this premature and very hasty recognition, or whether our claim is now to be confined to reparation arising out of neutrality. This paper must necessarily limit the reclamation to the fact whether or not Great Britain discharged her obligations of a neutral, during the existence of the late civil war, in which we were unfortunately involved. Our claim can have no more than this extent, upon the showing of the Department. This is apparent from the principle of law laid down by the Department, that—

“The President does not deny, on the contrary he maintains, that every sovereign power decides for itself, on its own responsibility, the question whether or not it will, at a given time, accord the status of belligerency to the insurgent subjects of another power, as also the larger question of the independence of such subjects, and their accession to the family of sovereign States. But the rightfulness of such an act depends on the occasion and the circumstances, and it is an act like the sovereign act of war, which the morality of the public law and practice requires should be deliberate, reasonable, and just, in reference to surrounding facts; national belligerency, indeed, like national independence, being but an existing fact, officially recognized as such, without which such a declaration is only the indirect manifestation of a peculiar line of policy.”

Then it is correctly said that every sovereign nation must, upon its own responsibility, "accord the status of belligerency" to insurgent subjects of another power, as also the greater question of the independence of such subjects.

But it is also alleged that the rightfulness of such acts depends on the occasion and circumstances in reference to surrounding facts, and is like the sovereign act of war.

Mr. Fish will find it laid down in the celebrated letter of Mr. Webster to Mr. Hulseman that—

"If the United States had formally acknowledged the independence of Hungary, though no benefit would have resulted from it to either party, it would not have been an act against the law of nations, provided they took no part in her contest with Austria."

In 1848, a Provisional Government was formed in Hungary, and in 1849, Hungary made an attempt to become an independent State. This effort would probably have been successful had not Russia intervened at the request of Austria. The United States dispatched an agent to the scene of war, for the purpose of "recognizing Hungary as a new State, in the event of its ability to sustain itself." Mr. Hulseman, in his note said that this agent was exposed to be treated as a spy, to which Mr. Webster answered that the imputation was offensive, and had the Government of Austria subjected Mr. Mann to the treatment of a spy, it would have placed itself outside the pale of civilized nations; and if it had attempted to carry into effect such lawless purpose, the people of this country would have demanded immediate hostilities to be waged to the extent of the power of the Republic against Austria.

Mr. Webster then says that the steps taken by President Taylor were warranted by the law of nations, and were agreeable to the usages of civilized States. He then asserts the right of the Government of the United States, as an independent nation, to form and express its opinion at all times upon the great political events which transpire among the civilized nations of the earth. It was also declared that, not finding sufficient evidence that Hungary had become a "stable" power, the United States on that ground did not recognize her as a power among the nations. This negotiation explains our position upon two points, and which are sustained by the law of nations—our right to recognize new States, and that these new States must be "stable" before such recognition can be made.

X If we had no right to recognize Hungary, the complaint of Austria was well taken. But as long as we took no part in the contest, we could commit no offense by the recognition of belligerency or of the independence of the new State. So we can not upon this principle claim any

damages from Great Britain, for her act of recognizing the South as a belligerent in war, for no offense was committed under the law of nations. England made war against France for recognizing the independence of the United States, but it was justified solely on the ground that France became a party to the war and took sides with us. It would be a strange doctrine that a neutral is answerable in damages to a sovereign power, on the ground that it had unreasonably recognized its revolted subjects as a belligerent, or as an independent power. That would be a novel and dangerous principle to incorporate into the law of nations, and the United States should, as the great neutral power of the world, be the last to sustain it. Every sovereign power is answerable for its obligations as a neutral, and that is the sole ground of the liability of Great Britain to us. Besides, if we take the position of Mr. Seward, that there was no civil war, and the South was not a belligerent, then it must logically follow that England did not hold the position of a neutral, and was answerable only for the strict enforcement of her municipal laws; and we then must relinquish the whole prize of war illegally taken.

This is the position we hold to Spain at this moment. Our Government finds Cuba in a state of insurrection, but not having reached a condition to be recognized as a belligerent; so it follows that there is no civil war, no belligerents, and hence there can be no neutrals; and so, being at peace with Spain, we must enforce our laws against arming and fitting out military expeditions against Spain. We are liable to Spain as a neutral, when she demands that Cuba shall be considered as a belligerent, and Spain shall notify the nations of that fact. Civil war is a fact. It is caused by a regular dispute by force, and this dispute receives its character from the contestants; and hence a neutral does not confer war powers. It merely recognizes the act of war. So far, Spain has refrained from asserting the rights of war against Cuba, and has treated the matter as a mere *revolt*. She has not asserted the right to blockade her ports, under the laws of nations, which would compel us to recognize that blockade, and the right to take prizes of war. The Cubans have no organized and stable government, no occupation of important towns, and they carry on very irregular and spasmodic hostilities against the authority of Spain. Spain holds the main part of the island, and all its fortified places and cities. The insurrection has no fixed seat of government; it is wholly revolutionary in character.

Such is the actual state of affairs in Cuba, and in view of these facts the Executive of the United States has said, in his message to Congress, that—

“The people and the Government of the United States entertain the same warm feelings and sympathy for the people of Cuba, in their pend-

ing struggle, that they manifested throughout the previous struggles between Spain and her former colonies in behalf of the latter. But the contest has at no time assumed the conditions that amount to a war, in the sense of international law, or which would show the existence of a *de facto* political organization of the insurgents, sufficient to justify a recognition of belligerency. The principle is maintained, however, that this nation is its own judge *when* to accord the rights of belligerency, either to a people struggling to free themselves from a Government they believe to be oppressive, or to independent nations at war with each other. The United States have no disposition to interfere with the existing relations of Spain, to her colonial possessions on this continent. They believe that, in due time, Spain and other European powers will find it their interest in terminating those relations and establishing their dependencies as independent powers—members of the family of nations. The dependencies are no longer regarded as subject to transfer from one European power to another. When the present relations of colonies cease, they are to become independent powers, exercising the right of choice and of self-control in the determination of their future condition and relations with other powers."

This position of President Grant is sustained by the uniform action of the Government hitherto, touching the recognition of new States and of insurrections. President Jackson, in his special message, in December, 1836, in relation to the recognition of Texas, thus refers to the principles on which the United States have acknowledged the independence of new States:—

"All questions relative to the government of foreign States, whether of the Old or of the New World, have been treated by the United States as questions of fact only, and our predecessors have cautiously abstained from deciding upon them, until the clearest evidence was in their possession, to enable them not only to decide correctly, but to shield their decision from every unworthy imputation."

Let these principles be applied, and it is evident that the facts will not warrant at this time, the awarding to Cuba belligerent rights or the recognition of a *de facto* government.

War must exist before there can be belligerent rights. War is a dispute by force of arms, and civil war comes from these disputes within the same State. But this is an insurrection until the State is broken up and its authority successfully disputed by an organized force, which finally compels the State to carry on regular war. So far, the Cubans have not compelled Spain to carry on regular warfare, and they have no known recognized government established to which the people adhere within any exact and defined limits, and within which the authority of Spain is

wholly suspended. The Cuban sway is altogether evanescent, and, so far as we have any evidence, it is the rule of the camp alone. Thus it is apparent that Cuba has not forced Spain to carry on regular war, nor has she organized and founded a government that can be recognized. There is no civil power that has supplanted the Spanish authority, and which governs Cuba or any considerable part of the island, so it would be useless to recognize such an insurrection until it shall show it has "ability to maintain itself." Had Spanish rule passed entirely under the authority of Cuba, and had it also possession of the main part of the island with adequate power to conquer its rights against Spain, then foreign governments would be justified in recognizing the Republic of Cuba as a reality. Then there must be a compact mass of population and combined effort by means of regular war, in order to warrant belligerent rights; and there must be a government established, in fact, which becomes supreme within certain fixed limits, and to which the people therein observe a uniform obedience before we can recognize it as a government *de facto*. Such is not the fact in Cuba, and we must wait until she places herself on justifiable grounds before the United States can recognize Cuba as a belligerent.

* A State is a body politic, or society of men united together for promoting their mutual safety by their combined strength, and the civil power is that which governs and rules it. Civil society is instituted to preserve peace, and the State is warranted in the use of all the means to that end; for the State is the complete body of free persons associated together to enjoy peacefully their rights, and for their common benefit, and war is justifiable when prosecuted for the enforcement of those rights. It is necessary that there should be a public authority in the State, and that authority is the sovereignty; and Spain is that sovereign power in Cuba, by Spanish discovery, settlement, succession, and by Spanish law; and that authority must remain until Spain is broken up, or Cuba constitutes a new State in her place. The rights of nations spring from their obligations, and the nation remains until the political association is broken up; and if a period were put to this association, the State no longer subsists. Since a nation is obliged to preserve itself, it has a right to every necessary means to its preservation. The law never obliges to impossibilities, nor prescribes as a duty what it debars us from fulfilling. So it gives the means to preserve the State. "The legal idea of a State necessarily implies that of the habitual obedience of its members to those persons in whom the superiority is vested; and of a fixed abode and definite territory belonging to the people by whom it is occupied." Such is the view of Wheaton, and he adds: "There is an internal and external authority belonging to every State. The internal sovereignty is that

which is inherent in the people of any State, vested by its constitution. External sovereignty consists in the independence of one political society in respect to all other political societies. Sovereignty, he further says, is acquired by a State, either at the origin of the civil society of which it is composed, or when it separates itself from the community of which it previously formed a part, and on which it was dependent. This principle applies as well to internal as external sovereignty. The existence of a state *de facto* is sufficient in this respect to establish its sovereignty *de jure*. It is a State because it exists; but the external sovereignty may require recognition by other States, in order to render it complete. So long as the new State confines its actions to its own citizens, and to the limits of its own territory, it may well dispense with such recognition. But if it desires to enter into that great society of nations, all the members of which recognize rights to which they are mutually entitled, and duties which they may be called upon reciprocally to fulfil, such recognition becomes essentially necessary to the complete participation of the new State in all the advantages of the society.

"Every other State is at liberty to grant or refuse this recognition, subject to the consequences of its own conduct in this respect, and until such recognition becomes universal on the part of the other States, the new State becomes entitled to the exercise of its external sovereignty as to those States only by whom that sovereignty has been recognized." Such are principles laid down by Wheaton in his invaluable work upon the laws of nations, and applying these principles to the condition of Cuba, we have no facts on which to base recognition, either of an actual existing government, or of belligerent rights. Wheaton says that as to its internal sovereignty it is a State because it exists. This is the law, and so we inquire, what is a State, which must first precede and establish its internal sovereignty? According to the principles of the law of nations, it either is an original or acquired sovereignty. Under the Spanish law, Cuba is an appendage of Spain, and the entire sovereignty over Cuba inheres in Spain by the Spanish Constitution—that sovereignty never vested in Cuba, and that legal authority continues undiminished, until it is destroyed by some adequate power. Now, Cuba, not having the power to govern herself under their laws, she must first demolish that connection or dependence by adequate means, before she is in a condition to claim to be a State or power *de facto*. Here we apply another principle in Wheaton, that "the habitual obedience of the members of any political society to a superior authority must have once existed in order to constitute a sovereign State. But the temporary suspension of that obedience and of that authority, in consequence of a civil war, does not necessarily extinguish the being of that State, although it may affect, for a time, its ordinary relations with other States."

Now it is allowed that Cuba is a mere dependency of Spain, and all its sovereign power inheres in Spain, under Spanish law; and so under that law Cuba can not acquire any internal or external sovereignty, except by revolution or concession. She must stand, therefore, on the right of revolution alone, and by force she must supplant Spanish rule in Cuba, and organize an existing *de facto* government in its place throughout Cuba, or the Spanish authority remains undisturbed. And, so far, this insurrection has not disturbed the ordinary relations of Spain with foreign States, and there is, as yet, but a limited suspension of Spanish authority in Cuba, and that disturbance has not yet risen in any part of the island to the condition described by Canning, "that a certain degree of force and consistency acquired by a mass of population engaged in war" is essential to entitle that population to be recognized as a belligerent.

I. Then this insurrection has not that compact mass of population necessary to constitute and carry on war.

II. It has not established a government to which the body of the people adhere, and hence it has not as yet acquired the constitutional element of a State or *de facto* government.

III. The so-called Cuban Republic has no defined limits ether than the natural limits of the island, within which Spain has ever had, and still possesses, the legal control, and actually occupies the same, with exceptional points.

IV. So the Cuban Republic, by the very claim of its friends, is still a thing of the future, and not of the present.

V. The United States are urged to recognize this Republic of Cuba when we know that the Spanish authority has not ceased to hold any but inconsiderable portions of the island; and we know that Cuba is herself adhering to the authority of Spain, at all points where the Revolutionary forces do not prevail; and we further know that this pretended Cuban Constitution has never been authorized by the people, or any considerable part of them.

VI. Hence the Republic of Cuba is not constituted in any actual sense by the population of the island, over which it claims to exist; and has been set up by the Revolutionary leaders alone.

VII. Hence the Cuban Republic is not a State, because it does exist, for the insurrection is still raging, and one-half of the Cubans within these limits adhere to Spain and oppose the establishment of this pretended State.

VIII. So, it must be apparent that there is not a stable revolutionary government now existing in Cuba entitled to be recognized as a belligerent or a *de facto* power; and we founded the precedents in the Texas

revolution and in that of Hungary, not to recognize such *de facto* governments until we had sufficient proofs that they were "stable" governments.

Such was the language of Jackson and of Webster upon those occasions; and shall we now say that Cuba has any elements of stability, comparable to Texas and Hungary, and upon whom we conferred not the poor boon of recognition, while those battles for independence lasted, because the Government had not clear evidence that they had acquired the necessary elements of a stable government? Against whom does Cuba, thus torn and distracted, wage war? Not against Spain alone, but against one-half the population of that island! She thus wages an unequal contest. She has men, but not the sinews of war. She has neither a port nor city in her possession. She gets necessarily, very inadequate supplies for her straggling forces. She has not a ship upon the seas, and yet she hopes to win her independence, and that against Spain, a nation of 18,000,000—whose army is disciplined—whose navy is quite equal to any after France and England in strength! And yet these brave Cubans have the hardihood to think that they can achieve their independence. It is a courageous struggle, but any calculation of forces shows that they will yet be exhausted, and fail. Such, at least, must be the conclusion which the American Government must reach, after our experience made in actual war.

It might be also considered that we occupy a certain position touching this question of recognition of insurgents, known to all the world. Our record is historic, and cannot be changed. It may be disregarded: it can not be hidden nor overlooked. Indeed, all the world knows of our war, and will not forget its lessons and its changing events. The page of history has already inscribed its outline, its grand proportions, its duration and end. We thus realize, in its expenditure and loss, that it is surpassed by no civil war in history. It almost approaches in magnitude the French Revolution, and if it did not shake Europe to the centre, it certainly shattered American prosperity, and cost this people \$4,000,000,000, while it emancipated 4,000,000 blacks. Such are some of the stupendous results of the American conflict, and yet our Government was maintained during this tremendous contest, while we engaged the Confederate forces with grand armies comprising a million of men, and while the insurgents gave laws to the South within the bounds of the Confederate States for a period of nearly five years; and while we were forced to carry on regular war, upon land and sea, and compelled to observe all the rules of war known to equal States—exchanging prisoners and establishing a blockade, and making prize of war—yet during all this terrible and desolating conflict, in which perished 500,000 men, we ever maintained that the States of Europe, in an unfriendly, and in an unseemly and hasty manner, unwar-

rantably recognized the South as a belligerent in war. The Foreign Office fairly groaned with the complaints we sent out to Europe upon that occasion; and yet there are men in our Congress who sustained these complaints against England, and would thus suddenly become oblivious to this historic act of our Government, and in "hot haste" recognize a phantom republic that has no actual existence except in their heated brain! Such a course must meet the disapproval of statesmen. It is unsustainable, and lays us open to lively censure and want of faith, if not of truth, in our course towards the States of Europe. Better that we pause before we subject ourselves to such criticism. A nation must preserve its consistency and its honor. Those deceive themselves who do not see that this whole Cuban recognition would obliterate all that we have done during our late war. If there be any statesmen who would have Cuba become independent by our aid and our recognition of her as a belligerent, he must allow it would be accomplished at the price of American justice and honor. It would bode little good to argue with those who cannot discover that while Cuba might be pronounced a *de facto* power, it would be at the expense of our good name.

President Grant has thus saved us, and it is to be hoped that Congress will see the wisdom of following the example he has thus set, in spite of the temptation that beset us to intercede and give aid to the revolted Cubans, and thereby shake the hold Spain now has upon the gem of the Antilla. But our disinterested course, thus far taken, will, if pursued, be a coveted gem to the model Republic that will never dim its radiance, even when shone upon by the united splendor of all the costly jewels that now dazzle the crowned heads of Europe. The costly jewels that gleam to our sight pale their splendor amid the steady and radiant light of an heroic and disinterested action; and under what a dazzling panoply do a people live, when they can look back into history and say that the Republic was ever just and disinterested! Let our Republic rise up to this grandeur, and it will endure and live, and bring the human race to constitutional government by the mere force of its example.

It thus appears that Cuba, so far from being in a condition to be recognized as a belligerent, is not yet a *de facto* power, with a fixed abode and definite limits. It assumes to speak in the name of a Cuban Republic; but who has ever heard when and how, and by whom, that Republic was constituted, for and in behalf of the island of Cuba? Its adoption in camp, and its affirmation by the Cuban Junta, is about all there is of this Cuban Republic. It has not received the sanction of the people of Cuba, and hence its claims to be founded by the people of that island must wholly disappear. The Cuban Republic is the work of a cabal, and altogether without republican sanctions. It has never been submitted to the

people for adoption, and its constitution was not framed with their sanction. This work has been done arbitrarily by a self-constituted revolutionary body, and cannot appeal to us for approval under these circumstances. It has thus been set up by the connivance and deceit of a Cuban Junta, and adopted by the revolutionary body that follows the camp of Cespedes. Such is the Cuban Republic that pretends to exist and have a being in the island of Cuba; and to recognize that Republic, we must sanction this fraud upon republicanism, and say that it has internal sovereignty and the adhesion of the people of Cuba, when there are no legal and formal sanctions sustaining that conclusion. Did we see a republic rising up amidst the Antilles, with all the usual sanctions essential to that form, and with a prospect of some stability, it would necessarily appeal to our sympathies and moral support, although we would be still under the obligations of neutrality. But this Cuban Republic has not yet risen up, nor has it yet shown it has been either founded or approved by the people of Cuba, in any manner sanctioned by American forms and American law.

Cuba, being still a dependency of Spain, in every accepted sense, and not having shaken off Spanish authority and established a government entitling it to be recognized by sovereign powers, it has not yet attained that position that entitles it to appeal to the laws of nations for support, either as a belligerent or as a *de facto* power; for it is an undoubted principle that none but sovereign powers can avail themselves of the laws of nations. States are the sole parties that constitute international law; and none but independent States can avail themselves of this great code.

So we can have no intercourse with Cuba until she attain the position of a *de facto* power. She must first make this appear by facts. She can not claim recognition until she abolishes and expels Spanish rule, and establishes a government that has the sanction of the people within the entire limit of the pretended Republic; for it would be an absurdity for foreign States to recognize a republican government in Cuba when such government had never received the sanction of the people of Cuba, or any part of them.

I. It thus appears that the people of Cuba have not yet ratified the Republic in any manner.

II. It appears that this Cuban Republic has no *fixed* limits, sanctioned by the laws of war and of revolution; that its *extension over the entire island* is not pretended; that it actually exists in the Eastern Departments alone.

III. And yet we are urged, notwithstanding these facts, to acknowledge the existence of a government that has not yet sustained its own pretensions, nor made good its asserted authority over the island of Cuba.

IV. And thus we say that the grounds upon which we are urged to recognize Cuba as a Republic, or existing power, are not sustained, and do not warrant such recognition.

Besides, the recognition of belligerent rights in a colony or portion of a State in revolt to the parent State, and against an equal half of that colony who remain loyal to the State, is not to be confounded with the acknowledgement of the independence of that colony, when its aggregated population have unitedly resolved on independence and taken up arms to sustain the declaration. That was the case with the thirteen colonies in the Revolution. Had the thirteen colonies been about equally divided, would not foreign States have long hesitated to recognize us as belligerents, or as an independent power? How can foreign States make such recognition until the new State or power becomes a fact; and how can they pronounce that a community, equally divided, is to be subjected to a recognition of the insurgent power? This is confounding all ideas of the essential facts necessary to constitute a status of belligerency; and hence the absolute requirement that we should wait the further developments of this struggle before Cuba can be justly recognized as a *de facto* power.

IV.—MONROE DECLARATION CONSIDERED.

Louis XVI. invoked the crowned heads of Europe to intervene in France and keep him on his throne. That alliance was unavailing. The Republic then, like a portentous meteor, passed over Europe, and was lost in the Empire. Both appeared in the ascendant for a while. Intervention finally triumphed; and Europe was subdivided by the allies. This intervention was then directed against France. After this came the division of spoils, then the five great powers—Russia, England, France, Prussia and Austria—constituted the league, called the Holy Alliance and announced to the world that these—

“Powers have unitedly the right to take precautionary measures in common, were it only for the sake of example against those States where the political changes produced by rebellion are hostile to legitimate government.”

The next congress of sovereigns declared against the revolution in Naples; and at Labach they proclaimed that they would not suffer in any country a political establishment antagonistic to the principle of monarchical legitimacy—that they did not in any manner recognize the new order of things existing in Naples, and they decided that the king (Ferdinand) should be reinstated.

In 1821, these sovereigns proclaimed that “useful and necessary changes in the legislation and administration of States should emanate alone from the free will and the mature and enlightened impulsion of those whom

God has rendered responsible and intrusted with power. All action aside from this course must lead to disorder and perturbation, to evils much more intolerable than those which it is attempted to remedy." They also decided that, while respecting the rights and independence of every legitimate power, they would consider as legally void and inconsistent with the *public right* of Europe any assumed reform effected by revolt and open force.

At Verona it was no longer a question of Naples, but of Spain, which had set up a new constitution under the rule of the Cortes. Under its sanction a French army invaded Spain, and overthrew that constitution, and reinvested Ferdinand with legitimate power under the sanction of all the allies but England.

Finally, Prince Metternich assured the restored king of Spain, in behalf of Austria, that some of the august allies, being faithful to the system of conservation and peace, will not cease to consider "all disorder and perturbations, whichever part of Europe may suffer by them, as a subject of lively solicitude to all the governments."

Thus it was distinctly intimated that Austria would aid Spain to recover her South American colonies that had already achieved their actual independence; and thereupon Spain invited the great powers to meet at Paris to consider the project of recovering her lost sovereignty over these new American States. And thus this continent was threatened with the intervention of the allied powers of Europe. These Spanish colonies, at the instance of Napoleon, as it is suspected, early resolved upon independence, and they had successfully achieved it; and in 1822 Spanish authority had wholly disappeared from that part of the world. But a new intervention now threatened to resubject them to the authority of Spain.

At this juncture, Lord Castlereagh stated to Mr. Rush, the American Minister at London, that he could not agree to reconciliation between Spain and her colonies, unless based upon their entire submission to the mother country. But his death made Canning prime minister, and he severed England from the alliance. Canning advised France that England considered that events had already decided the question of the separation, of the colonies from Spain. In August, 1823, Mr. Rush replied to the note of Canning that his country desired to see these States received into the family of nations by the powers of Europe, and especially by Great Britain, and he added that the sentiments expressed by Canning were shared by the United States, who considered the recovery of the colonies of Spain to be entirely hopeless, and would regard as highly unjust, and fruitful of disastrous consequences, any attempt on the part of any European power to take possession of them by conquest, by cession, or on any other ground or pretext whatever.

Mr. Canning, writing to Vienna, in 1823, with a view of emphatically expressing the dissent of England to the interference of any other powers, by force or menace, in the internal concerns of independent States, said :

"The allies have no right, under the alliance, to call upon us to aid or abet a forcible interference in the internal affairs of any country, for the purpose or under the pretext of putting down extravagant theories of liberty. But we have a right to call upon them, as they upon us, to check the aggression of State against State, and to preserve the territorial balance of Europe."

In writing to Madrid, he said: "While I was yet hesitating what shape to give to the declaration and protest, which ultimately was conveyed in my conference with the Prince de Polignac, and while I was more doubtful as to the effect of that protest and declaration, I sounded Mr. Rush as to his power and disposition to join in any step which we might take to prevent a hostile enterprise on the part of European powers against Spanish America. He had no powers, but he would have taken upon himself to join with us, if we would have begun by recognizing the Spanish American States. This we could not do, but I have no doubt that his report to his government of this sounding (which he probably represented as an overture) had a great share in producing the official declaration of the President."

Thus we must, after the full explanation of Mr. Calhoun, made in his speech upon the occupation of Yucatan, in 1848, relative to this event, award Mr. Canning the credit of this great and emphatic declaration made in the message of Mr. Monroe. Mr. Monroe consulted Mr. Jefferson, and he answered the President in October, 1823, after being advised of the position of affairs, that "our first and fundamental maxim should be, never to entangle ourselves in the broils of Europe; never to suffer Europe to intermeddle with cis-Atlantic affairs." Thus fortified by sage counsel and the promise of Great Britain, the President, in his message in December, 1823 finally announced the principles, now recognized distinctly as the "Monroe Doctrine," and which are in substance :

I. That the American Continents are not henceforth to be considered subject to any future colonization by any State of Europe.

II. That the political system of the allied powers is essentially different from that of America; and we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety.

III. That in the wars of Europe relating to themselves, we have never taken any part, nor does it comport with our policy to do so; and it is only when our rights are invaded, or seriously menaced, that we resent injuries, or make preparation for defense. With the movements of this

hemisphere we are necessarily and immediately connected ; but with the existing colonies or dependencies of any European power we have not interfered, and shall not interfere.

IV. And with the governments who have declared their independence, and maintained it, and whose independence we have, on great consideration, and on just principles, acknowledged, we could not view any interposition for the purposes of oppressing them, or controlling in any other manner their destiny, by any European power, in any other light than of the manifestation of an unfriendly disposition toward the United States.

✓ Mr. Monroe further said that in the war between these governments and Spain, we declared our neutrality at the time of their recognition, and to this we have adhered, and shall continue to adhere, provided no change shall occur, which shall make a corresponding change, on the part of the United States, indispensable to their security.

The declaration against the intervention of the allied powers found strong support among the liberals of Europe, and especially in Great Britain who had so recently withdrawn from the alliance. The Ministry and the Opposition in Parliament united in pronouncing in favor of that part of the Message. Brougham "declared that no occasion had ever created greater joy, exultation, and gratitude among all the free men of Europe ; that he felt a pride in being connected by blood and language with the people of the United States ; that the feeling disclosed by the Message became a great, a free, and an independent nation ; and that he hoped his own country would be prevented by no mean pride, or party jealousy, from following so noble and glorious an example."

Sir James Mackintosh said that it was not foreign to his argument urging the recognition of these new States in Parliament, to turn aside for a few moments "to consider the admirable Message sent on the 2d of December, 1823, by the President of the United States to the Congress of that great Republic. I heartily rejoice," he said, "in the perfect agreement of that Message with the principles professed by us to the French Minister, and afterwards to all the great powers of Europe, whether military or maritime, and to the great English State beyond the Atlantic. I am not anxious to ascertain whether the Message was influenced by our communication, or was the mere result of similarity of principle and coincidence of interest. Above all, sir, there is one coincidence between them, which is, I trust, of happy augury to the whole civilized world—they have both declared their neutrality in the American contest, as long as it shall be confined to Spain and her former colonies, or as long as no foreign power shall interfere."

Mr. Calhoun said, "that the members of the Alliance held several congresses, attended either by themselves or their ambassadors, and

undertook to regulate the affairs of all Europe, and actually interfered in the affairs of Spain for the purpose of putting down popular doctrines. In its progress the Alliance turned its eyes to this continent in order to aid Spain in regaining her sovereignty over her revolted provinces. At this time England became alarmed. Mr. Canning was her prime minister. He informed Mr. Rush of the project, and gave to him, at the same time, the assurance that if sustained by the United States, Great Britain would *resist*. Mr. Rush immediately communicated this to our Government. It was received here with joy; for so great was the power of the Alliance, that even we did not feel ourselves safe from its interpositions. I well recollect the great satisfaction with which it was received by the Cabinet. It came late in the year, not long before the meeting of Congress. As was usual with Mr. Monroe upon great occasions, the papers were sent round to each member of the Cabinet, so that each might be duly apprised of all the circumstances, and be prepared to give his opinion. The Cabinet met. It deliberated. There was long and careful consideration; and the result, the declaration which I have just announced. All this has passed away. That very movement on the part of England, sustained by this declaration, gave a blow to the celebrated Alliance from which it never recovered. From that time forward it gradually decayed, till it utterly perished. The late revolutions in Europe have put an end to all its work, and nothing remained of all it ever did." Mr. Calhoun added that England delayed recognition fearing a war with the allied powers. Thus conjointly these two countries averted all European interference on the American continent, in 1823, and saved the South American republics. Finally, Mr. Canning recognized them, and called the new States into existence to redress the balance of the old, as he somewhat boastingly declared.

Mr. Canning resolutely protested against that part which declared against occupying and colonizing any part of this American continent by any European State; and he held that we had no right to take umbrage at the establishment of such colonies from Europe in any such unoccupied parts. Columbia after this took the lead to form an alliance of all the American States, upon this basis, by a proposed congress at Panama. This was favored by Mr. Adams, and opposed by the opposition to his administration, and Congress refused to sustain this declaration, and thus the proposed alliance was not formed and we were not represented in that congress. It may here be said, that it was suspected that France was to be compensated by the cession of Cuba, and it was rumored as a consequence that England was about to seize Cuba, to prevent this transfer. In the mean time, Cuba became alarmed, and while some favored English protection, others sought the aid of the United States. A secret agent

was sent from Cuba to see Mr. Monroe, and propose that the island would declare itself independent of Spain, provided the United States would protect them, and finally receive Cuba into the Union. Mr. Monroe replied that the friendly relations existing between us and Spain did not permit us to promise protection to insurrectionary movements, and advised the people of Cuba to adhere to Spain, declaring that any interference by France or England in Cuba would place our relations to Cuba in a different position. Mr. Canning disclaimed any such purpose, and said that he would oppose any interference in Cuba by us or France. He then proposed that an understanding should be had by the three powers disclaiming any purpose to interfere with Cuba, to which Mr. Monroe acceded, and left England to negotiate with France to that end.

Such is an imperfect outline of events that accompanied this declaration of what is now compendiously called the Monroe doctrine. We will now consider with brevity whether this doctrine is founded upon principle such as America ever has sustained.

Mr. Calhoun says that the part relating to colonization is not precise and accurate; and was the part not considered in the cabinet. It originated with Mr. Adams, and grew out of the boundary question, in which Russia claimed disputed territory of the Northwest, claimed equally by us and England. Mr. Dana, in a copious note to Wheaton, says that this part of the declaration was intended to assert that this continent was all occupied by civilized nations and no longer open to colonization except upon that footing alone. Mr. Calhoun held this part a declaration larger than the fact, and this country has never in any manner sustained it. Our own title was founded on discovery and revolution. We had but a small part of the continent. We held it by the same title that Great Britain still holds British America. We have never interfered with the actual colonization of any part of this continent by any European State; and nearly all European States possess colonies in this hemisphere and have colonized them ever since with the same right that we have drawn immigration to settle in our own country. There is no principle of public law that can sustain this part of the Monroe doctrine, except in that limited sense that the entire continent was no longer open to future claims of discovery and settlement upon such a title. In that sense it was hardly intended. We can not make public law any more than the allied sovereigns, and we never assumed that any part of this hemisphere was not to be transferred by any European State except in the case of Cuba alone, and that has been put clearly on the ground that Cuba thus transferred to any great State, would endanger American interests and American commerce. That is the extent of our claim to restrict the transfer of American soil.

As to the main declaration to which *all* the others were merely incidents, it had a decided effect upon the affairs of the New World, and was proclaimed in self-defense, and to avert the allies from repressing free States upon this continent. The Monroe declaration was the result of the irresistible progress of events. It was the assertion of the right of an independent nation; and we were exposed to be by them repressed as a dangerous example: as a State that had risen by a flagrant rebellion.

These powers undertook to change the public law of the world by a mere league—undertook to put down all revolutions in States not sanctioned by them, and thus we may say with Mr. Webster, that while the teachings of Laybach gave the rule, there was no law but the law of the strongest. Here we stood, the defender of the rights of free nations.

By what right could the great powers impose their will upon other nations, except by mere brute force, and by what right could they overturn free government in Spain, in Naples, and other nations, not parties to the compact? By the same right other nations could destroy arbitrary power, and these monarchies. Finally, we declined to enter into the proposed alliance, at Panama, in 1826, in defense of the free American States, because it would seemingly justify this alliance of despots. It was justly said, however, that this congress was proposed, strictly on the defensive and not for the purpose of aggression—not for the purpose of propagating freedom, not for the end to suppress despotic rule. Finally, we may say, with Mr. Calhoun, that these declarations were the mere declarations of the executive department, which were never approved and adopted by Congress. They can not be dignified as having been reduced to an American policy. "They are but declarations and nothing more." Still they have exerted wide influence upon the country, and commend themselves in the main to popular favor; but they are things entirely of the past, as the Alliance against which they were made. That Alliance no longer exists; and it was against the principles of that Alliance being extended to America that we resisted, and which caused this celebrated declaration. It was not an assertion of any *form* of government, but the right to change government, which we asserted. That was the issue met and embodied in the Monroe declaration, so it was not antagonistic to any separate State, but to the allied powers alone. Thus we must keep within the limits of the actual declaration.

But applying these principles they do not permit us to interfere in any manner with existing colonies of European States on these continents, except as independent States may of right do in preserving a strict neutrality. It is further apparent that the United States, being so immediately connected with such colonies, will ever feel a lively interest in their welfare, and when they maintain their independence will ever be the first

to welcome them into the family of nations. That has been the uniform course of our Government, whether these new States arise in Europe or America, and should Cuba achieve her independence, we will thus recognize her as an independent State, and the enlightened nations will sanction it, while Spain will have no cause to complain.

In the mean time, we must allow that Spain is deeply interested in the retention of this valuable island, which is justly hers, and which adds much to her national strength. It is an island rich with all the products of a tropical clime, producing the finest qualities of tobacco and sugar, as primary staples. No island is more rich, none other has such fertile soil. The unchanging climate alone keeps it from being the paradise of the world. Its extension from east to west is about 750 miles, with an area of 45,000 square miles. Within these limits are plantations, in point of wealth, nowhere else seen. The people are not generally advanced, not having risen above their seclusion. The better classes possess all the amenities and many of the attainments of the great Spanish race from which they are descended. In full view of these ties of interest and of blood, it is obvious that Spain will not readily give up a contest that involves the loss of Cuba. Spain has a well-appointed army, and a navy that stands third in the list of maritime States. Besides, she is a resolute State, never counting the cost, notwithstanding her thousand disasters. She believes that to deserve to succeed is equal to success.

Having thus lived through a thousand years, and feeling that her foot still rests upon the Pyrenees, while her battles have dotted the map of Europe with her former renown, the Spanish blood still beats warm for the preservation of the State, and the retention of her ancient and long-cherished jewels, many of which have dropped from her casket. Cuba remains the jewel of the sea; and she means that it shall not be unseemly clutched from her possession.

It now remains to be seen whether Spain, while she hurls upon this island the thunders of war and the missiles of destruction, will pursue the contest with a humane and magnanimous spirit. She may, as did this country, at the opening of our civil war, be too much inclined to visit with severity the penalty of rebellion upon individual men. If that be her purpose, it is worse than a mistake. There is no crime in the rebellion of a people. The leaders alone should be visited with punishment, and that in no sanguinary manner. During the American war, to its very close, there was no life taken for the crime of rebellion; and Burke said he could not draw up an indictment against a great people; and this age approves the sentiment. But Spain has now a golden opportunity to stay the hand of vengeance, while she prostrates this insurrection. Her revolutionary government at home, with the men who guide and administer

it, are pledges that Cubans will be humanely dealt with, and will be given all their just and equal rights. At least it is not our province, at this juncture, to intermeddle in this contest, and we have shown that the Monroe doctrine constrains us to resist all intervention by foreign States while we must preserve a just neutrality in these contests between the parent State and the rebellious colony. We say that is a consequence of the Monroe doctrine, if extended to the islands, as well as the Continent, of America. We do not raise the question that these islands were not embraced in the message of Mr. Monroe; but the principle is the same, and made applicable by the same necessity. We are thus pledged in good faith by that language to carry out those principles which we have denominated American doctrines: Non-interference with existing colonies of European States upon the American continent.

But it is said that this policy conflicts with our interest, and that we should aid Cuba in gaining her independence. We are told that Cuba should belong to the United States, or, at least, it should be free. To this we answer, that, while there is no evidence that the Cubans desire to be annexed, we need not discuss that part. At the same time, we are in favor of awaiting the logic of events, and not forestalling them. The mere recognition of Cuba would not give her independence, and if she fails we should have the humiliation of doing a hasty act with unjustifiable motives, and we should thus lose the friendship of Spain, and be in no condition thereafter to intercede for the Cubans, or to acquire the island from Spain by a voluntary session. We should thus overact and defeat all hopes of future acquisition of this island. Besides, the United States have already expanded their domain to thrice its original size, and all this territory came directly from voluntary cession. A policy that has thus absorbed in the past such an empire of Spanish soil, stands invigorated and commended to American statesmen by its vast results. We have already planted the American flag, by a peaceful policy upon the second island of the Antilles, and it is quite obvious that this island will soon be ours, and it will be gained and made valuable to us through the arts of peace, and with this splendid island we should be content. Thus we shall become possessed of the finest harbor in the West Indies, and will thus approximate nearer to Spain. Especially, then, we must maintain good neighborhood with Spain, and not try to weaken her while she is now advancing to free constitutional government. Besides, it is our interest to strengthen Spain, and make her an ally for the mastery of the seas. We need her strength and friendship to offset the power of England. And with her we may thus advance liberal governments and sustain an old, but now a second-class power. With us Spain may repair her strength. For these reasons we say that the United States sustain such

relations to Spain that it is not for us to recognize the insurgents, but wait till the Cuban Republic shall become a *de facto* power, with ability to maintain herself; and then, and not before, we may justly recognize her as a belligerent power.

Besides, we are not wanting in territorial expansion. We have a vast and extended domain stretching from ocean to ocean, with a vast breadth of latitude, adequate to all our wants for the next century. Upon our present domain a population of 300,000,000 can be sustained. Moreover, there is a predominating tendency to expansion of the Republic in the ratio of our growth, and this primordial law will give continued extension until we shall become the Republic of North America, and this will be accomplished quite as rapidly as it can be advantageous to the Nation without violation of National faith and a resort to questionable expedients. Our danger lies in too rapid an expansion and thereby weakening our power of assimilation and cohesion. All great and powerful nations have this ambition to extension, and we misread history if this very vice does not in the end become a primal cause of their decline and fall. This Republic will expand. Its people are only too sanguine in this. They see in it vast power, wealth, and our god Terminus will not recede; but advance as Rome grew. We know there is no resisting this law of our expansion; but we must equally heed our dangers from within. Greatness brings all the vices and corruption, and in our ambition, we may depart, like the Romans, from the virtues of the Republic. We must require at this time ample extension of the social and civilizing forces, that ought to characterize a great Republic. Extend these, and then we may assimilate all conflicting forces, and long stand as a nation.

THE MONEY MARKET AND THE CURRENCY.

An admirable article in the May number of the *Atlantic Monthly* urges on Congress, by a series of elaborate arguments, the policy of letting the currency alone for the present, lest we "risk the production of a ruinous catastrophe, by impatient force." There is no doubt that this policy is approved by the best financial thinkers. And we are not unwilling to assent to it, on the ground of expediency, although we consider it by no means certain that in a year or two, without any contraction or other expedients whatever, the country will not grow so fast that our "shrunken paper currency" will, by its own inherent elasticity stretch itself out "to the full dimension of the ancient standard of value." The fact is, that there are several conditions needful for the solution of our currency problem, and experience alone can decide for us whether any further contraction of the currency is really indispensable. In managing our financial bark, we are not unlike a mariner in a good ship,

with an imperfect chart and a perturbed compass. We have to move with extreme caution. And generally the best indications by which to direct our financial policy will be found in the money market. From the indications offered, then, we have to ascertain whether any contraction of the currency is desirable, and at what point such contraction ought, for the time, to cease. Looking at the money market, in its present condition then, we say that Congress will do well not to agitate the question of disturbing the currency, either by increasing or lessening its volume.

There are two or three facts about the money market which must be carefully kept in view. First the amount of floating capital available for use has been largely depleted by the vast mass of railroad bonds which have been offered and absorbed with an unparalleled eagerness during the last twelve months. Secondly the prosperity of the country has been so much impaired that the savings of our mercantile population have been far below the average, and as it is from these savings that the reserve of floating capital is continually supplied, and its depletion compensated, therefore the level of that reservoir is not so high nor are its supplies so abundant as in a more prosperous time. Here then we have had a larger drain of capital than usual and a smaller accumulation. Moreover there are so many lucrative attractions offering to owners of capital that the floating funds which are really in the loan market are not so readily accessible to ordinary mercantile borrowers. The result is that a balking hesitancy characterizes the phenomena of the loan market and takes the place of that free ease of movement which in a healthy normal prosperity of business regulates the flux and reflux of capital between those who distributed and those who use it.

But this is only one aspect of the case. Turning from the aggregate of capital available for loans, let us look at the stability of public confidence. This is one of the prime factors in all calculations and estimates relative to the money market. And we state what is notorious when we affirm that for several years there has not been a time when confidence for so protracted a season has been so much impaired. Everybody is waiting in apprehension and uncertainty. The foundations of our fiscal and financial system are so unsettled that the risks of ordinary business are indefinitely increased, and prudent men shrink from industrial enterprises as involving too many of the attributes of speculative uncertainty, if not of absolute gambling. Now, this state of public confidence acts on the money market in two ways. It diminishes the number of good borrowers, and it lessens the facilities of other borrowers. Hence it happens that so high a rate of interest is current in the discount market, and that an immense and increasing volume of loan transactions in this city are done under one pretext or another on terms far higher than the ordinary quoted rates for loans.

Lastly, we must not omit to notice the accumulation of money here from the South and West. This return flow of currency is earlier and more rapid than usual. By the usual well-known law this ought to give more efficiency to some of the conditions of monetary ease. To a limited extent it is no doubt destined to have this result. But of the vast amounts of currency which have been shipped to the South during the last year, at least thirty millions in all probability will not return. Last year, fifteen or twenty millions at least were similarly delayed, and during the coming year the absorption of currency in the South will no doubt be very large. In view of these facts, then, we repeat that we have abundant grounds for opposing any disturbance or contraction of the currency until there is both a more favorable state of the money market and a more definite certainty as to the exact policy which would best conduce to the permanent prosperity of the nation.

THE WORK BEFORE CONGRESS.

[COMMUNICATED.]

The Funding Bill sleeps a sleep suspiciously resembling death; the Tariff Bill has lost a great part of its strength in Congress, by the change made this week in the duty on iron; and the Internal Revenue Bill has not even been reported. Congress grows weary of talk, and thinks of adjournment. Appropriations have still to be settled, and three-fourths of the real work of the session, after four months of effort, remain undone. It begins to seem doubtful whether a single financial measure of importance can be passed this year. On the other hand the country is taxed far too heavily; the treasury is overflowing, while the people groan, and statesmen hint at the fable of the goose and the golden eggs. There must be some relief; and cynical observers are not wanting who declare that every mature plan for reform in the finances is sure to fail, but that, at the very end of the session, some crude and rash resolution, abolishing, perhaps, the income tax and the duty on tea, or, extending at random the free list in the tariff, will be passed, in order to seem to have granted something of a relief, where the demand and the necessity are so urgent.

It may sometimes be said of a legislature that while it makes no laws it still discusses questions of public policy with such intelligence as to attract the attention of the people, educate them in principles, and so prepare the way for wise laws hereafter. But no one, we presume, could make such a plea for the present Congress. Its debates on all financial subjects, with a few exceptions, have been of very little interest; they

are not published by the leading journals nor read by the people. When there is no public measure of real and pecuniary importance awaiting attention, the inaction of Congress is not a thing to complain of. It is much better to let laws alone, even imperfect ones, than to be perpetually tinkering with them. Above all is this true of laws affecting trade; for trade will accommodate itself to almost any policy a government can adopt, and, in an active enterprising community will prosper. The one thing which it cannot endure is constant change. Some of the taxes now levied are bad enough, but the harm they do, great as it is, is not so great as the harm done by a prolonged series of changes in them, and by an interminable suspense as to what the next change is to be.

But since something must be done, since neither the people, nor any party in Congress can permit the present oppressive taxes to continue unchanged, and since the danger is, not of absolute inaction, but of rash action, the occasion calls for a careful consideration of the principles on which that action ought to be planned. To avoid this danger, it is necessary to keep steadily in view the real and immediate wants of the country. Away with questions which are abstract, incidental, remote, endless: and let attention be concentrated on those which are practical, direct, momentary, and susceptible of solution. There are enough of these to occupy Congress and the country for the present; yet, strange to say, they seem to be almost the last to be debated in the National Legislature.

The first want of the country is the full, absolute maintenance of the national credit. This must be first, above all other interests. It requires the raising of a sufficient revenue to meet all obligations, and adherence to a fixed policy such as will inspire confidence in our good faith respecting all branches of the public debt. The weak point in our credit now is the greenback notes. These are depreciated, far below any other part of the debt. To them, therefore, attention ought first be given. They are a dead weight upon the national credit, and until they are restored to their par value, all talk of funding the rest of the debt at a low rate of interest is premature, simply because no man can now tell at what rate of interest the Government will be able to borrow money on its bonds, when it shall have redeemed its outstanding demand notes. So long as payment of these is repudiated every day, a doubt will cloud its good faith in everything.

But can anything be done for these notes? We cannot resume specie payments to-day; we cannot even begin a violent contraction of the currency, which will force resumption at a fixed and early day. It is admitted by all parties to be already too late to mature a plan for this purpose during the present year. However desirable, then, such a

scheme may be, it must be postponed until next winter; when we trust that Congress will authorize the gradual substitution for greenbacks of compound interest notes, exchangeable at maturity for consolidated bonds; and so take the one practicable and sure way to specie payments, on the wisdom of which all the best financiers are now nearly agreed.

But, meanwhile, one step, at least, may be made; and that not inferior in importance to any others. The reconstitution of the Supreme Court is thought by many to have unsettled again the just decision recently made, that the legal tender act does not apply to debts contracted in a coin currency. Let Congress pass a resolution that the Legal Tender Act shall not apply to any contracts made before its passage. This will merely carry out the spirit of the act passed last winter authorizing special contracts for coin; and it will work no injustice anywhere, for in the few instances in which it will affect existing debts, it will merely restore the original contracts in the sense in which the parties understood them when made. But such a resolution will have a profound effect on public confidence. It will be an assurance, of the strongest character, that, whatever the constitutional powers of Congress may be, the American people and their representatives will not tolerate repudiation, whether public or private. It will be an important preparation for the entire repeal of the most disastrous law now upon the statute book of the nation.

Again, another good work can be done for the overdue debt of the nation, by enacting that no sales of gold for bonds hereafter shall be made by the Treasury; but that the coin collected for customs shall be retained, as a special fund, for the redemption of the greenbacks. If a simple resolution were passed repealing the restrictions upon the amount of circulation in the national banking act, and providing that one half of the surplus gold revenue of each month should be sold for greenbacks, and the greenbacks destroyed; and that new issues of national currency, to an amount not greater than that of the cancelled notes, should be granted to the States which now have less than their share, on condition of keeping this currency always at par in New York, the question of "inflation," consigned by the government to the laws of trade, would henceforth regulate itself, and the measures necessary to secure resumption would almost enact themselves at the next session of Congress.

In any case it ought to be peremptorily ordered that no new greenbacks shall be printed and issued. The power of the government to issue legal tender notes for existing debts, even in time of war, and as an incident of the war power, has been denied by the Supreme Court; and is not believed even by its strongest advocates to be free from serious doubt, as a question of law.

But its constitutional power to issue them in time of peace, and with an

overflowing treasury, is hardly maintained by any statesman or lawyer. Yet it is the daily practice of the Treasury to issue such notes, in lieu of others cancelled or worn out. The simple measure of forbidding this, and of limiting the greenback circulation to the notes already in use, would produce an imperceptible contraction, which would frighten nobody, and yet would have a great effect on the value of the currency within two or three years. But, above all, it would be a declaration of principle, and a demonstration of power.

Next to these measures in importance comes the reduction of taxation. There is no good reason why one hundred millions of dollars more than the Government needs should be collected another year from the people. It is not a help to the national credit, but a positive injury; for it is the direct cause of all the little strength which the advocates of repudiation have; and of the complaints of the people, and of the prostration of trade, which seem to some foreigners to make our revenues precarious. Remit taxes to the amount of last years' surplus revenue, and the taxes retained will be made so much more productive by renewed enterprise and prosperity that we shall again have a large surplus to deal with next year.

But our tax laws are now so largely influenced by private interests that, whenever it is proposed to reduce them, Congress becomes the scene of an unseemly squabble between those affected by them, each trying to avoid suffering by the change. To read some of the debates on the pending tariff bill no man would suspect that either the people at large or the Treasury had any concern in taxation. The pig-iron furnacer, the sheep-raisers, the cotton and woolen mills, the shipping trade, the salt, coal, lead, and copper miners, and the theorists upon free trade and protection, all have their representatives; but we have yet to meet with the slightest recognition by Congress of the two general principles by which all wise legislation on this subject must be guided: 1st—That the object of taxation is to raise revenue with the least burden on the people, and to distribute it justly; and 2d—That, in reducing taxation, the object is to grant the largest relief to the greatest number. If Congress would drive away every private "axe" that is brought them to grind and set itself seriously to work to inquire what taxes are really the most burdensome to the country, and the greatest hindrance to its prosperity, and would then, to the extent of the surplus revenue, abolish them, the intricate and tedious question of the tariff and the tax law would be settled in a few days, and with the greatest ease.

What is the next financial duty? Unquestionably, the funding of the public debt. After repudiation is made impossible, and the credit of the Government placed beyond the attacks of demagogues at home and

the suspicion of strangers abroad, the debt may be thrown into a form which shall need no change until it is finally paid. This can only be done to advantage by the issue of bonds at a lower rate of interest than that now paid, and the sale of them for gold, to be used in buying up or redeeming, at par, the Five-Twenties. It is far too soon to attempt any such action while our currency is depreciated and our revenue laws unsettled.

The work before Congress, then, is still not beyond hope; it is still possible that good may be done by the present session. But no more time must be lost. If the remainder of the legislative year is not to be wasted as two-thirds of it has been, the press and the people must urge the real wants of the country upon the attention of our representatives, and induce them to look beyond the stress of "pressure," bargaining and "influence" by which they are surrounded. We are not flattering the members of the present Congress in saying that, although there are few men of financial ability among them, yet, as a body, they have the American trait of strong common sense. When their attention has been, by chance, directed to substantial issues and national interests, they have several times shown themselves capable of practical wisdom in their votes. And the only thing wanting, in order that they may yet make this session one of memorable service to the nation is that their eyes shall be cleared of the mists that seem to blind them, and shall have the real questions which concern the people set plainly before them.

THE DEBT STATEMENT.

The May schedule of the public debt has two interesting features. First, it gives us another illustration of the financial strength of the National Treasury, and secondly, it shows us a very satisfactory cash balance in hand. The decrease which Mr. Boutwell reports in the aggregate of the debt amounts to no less a sum during the month than \$11,697,793. This exhibits a very gratifying progress, and must tend to give new strength to our credit both at home and abroad. We are steadily advancing to such a position that we shall be able to withdraw our six per cents from the market, and replace them with bonds at a lower rate of interest. For this process no new legislation whatever will be needed. When the financial conditions of the operation are favorable, all the legal power will be found to have been conferred by existing acts of Congress. Hence it is that the agitation that the Funding bill has caused is as gratuitous and unnecessary as it is mischievous and depressing. If that bill should be summarily killed, its fate would help rather than retard the funding of the debt. For when this bill is out of the way,

the prolific cause will have been removed of the uncertainty and languor which have disturbed the monetary movements and paralyzed the financial life of the country for many months past.

In examining the changes in our debt the first thing which strikes the eye is the accumulation of the balance in the Treasury. This balance consists of three items—gold, currency and bonds. The gold balance is 115 millions, out of which we owed on the 1st of May 53 millions for interest and 34 millions on gold notes. These 87 millions being deducted, our balance of gold dwindles down to less than 30 millions. It is evident that this is quite as small a balance as we ought to keep by us to provide against emergencies. For our annual coin interest is over 120 millions, and we ought to keep on hand at least one-quarter of that sum to provide against the probability of some great catastrophe which might disturb our gold revenue from customs, and thus make us unable to pay the interest on our debt. For we have no such arrangement to fall back upon in a catastrophe as is possessed by the British government, which has an account with the Bank of England and can forestall the incoming revenue by depositing and drawing against a temporary issue of certificates of indebtedness or exchequer bills as they call them. Our Treasury can get no temporary bank accommodation. We must get all our money in before we spend it, and we have to lock it up in our Treasury as a reserve balance against it is wanted. Thirty millions of coin then is, as we said, a sufficiently small amount to be kept locked up, and forty millions would put the Treasury in a safer position.

The second item of the Treasury balance is the currency, which is about seven millions. At this plethoric period of the year, the currency balance has sometimes, with advantage been allowed to accumulate. For it is well known that our bank currency has no redemption machinery, which causes it to run home when it is not wanted. Practically, our bank notes are irredeemable, as they very seldom go back to the issuing bank, and, when this does occur, the notes are immediately set afloat again. In the old days of State banking the notes all came home in the intervals of readiness of business. The banks expected them home and made provision beforehand to redeem them. Under the present National Currency law, however, every bank note bears the endorsement of the Government, and passes, consequently, as current as a greenback on any part of this continent from the Atlantic to the Pacific. As the natural process of redeeming bank currency does not cause it to contract when business falls off, the tendency is for it to accumulate in the great monetary centre. As a temporary relief, then, it is well for the Treasury to absorb it. For if the superfluous currency accumulates in bank its certain consequence is to give a morbid tone to the loan market and the usual

result is a violent access of the speculative fever in Wall street. For these reasons, then, we suggest that Mr. Boutwell is doing right in permitting his currency balance to augment, and he can safely pursue the same policy with moderation till the reviving activity in the fall trade shall offer an enlarged field for the use of currency, and shall make it safe to pour forth this currency into general circulation once more.

The third item in Mr. Boutwell's balance is the bonds purchased in the market and held in the Treasury. The full value of these bonds is \$108,823,050, which amount, with accrued interest, to \$110,842,842 68, and are valued at that sum in the Treasury balance. Of these 110 millions, 33 millions belong to the Sinking Fund, and 77 millions belong to the discretionary fund, which awaits the disposition of Congress. These bonds have accumulated so rapidly that the question has been seriously asked whether our large surplus does not suggest the desirability of remitting some of the more galling and oppressive internal taxes. Mr. Sherman has just brought in a bill for that purpose, which is more favorably regarded than Mr. Boutwell's recent measures have usually been.

In the general statements of the May schedule of the Debt there is little of special interest. The gold speculation and other causes have sent in for redemption about 5 millions of gold certificates; but during this month the payment of interest will, no doubt, swell the aggregate beyond the level at which it stood a month ago. This, however, is one of the subordinate features of the debt statement. The great points are, first, that we have so handsome a surplus, and have bought so large an aggregate of bonds for the sinking fund that we can diminish the burdens of our people by remitting taxation; and, secondly, that the Treasury operations are being so managed as to improve the public credit, and thus buttress the foundations of our national strength and prosperity.

THE DEBT STATEMENT FOR MAY, 1870.

The following is the official statement of the public debt, as appears from the books and Treasurer's returns at the close of business on the last day of April, 1870 :

Debt bearing interest in Coin.		Amount	Accrued.
Character of Issue.	When Payable.	Outstanding.	Interest.
5's, Bonds.....	After 15 years from January 1, 1859	\$20,000,000 00	\$333,333 33
5's, Bonds.....	After 10 years from January 1, 1861	7,022,000 00	117,013 33
6's of 1861.....	After December 31, 1860	18,415,000 00	368,900 00
6's, Oreg. War, '61.	Redeemable 20 years from July 1, 1861	945,000 00	18,900 00
6's of 1861.....	At pleas. after 20 years from June 30, '61	189,318,100 00	3,786,362 00
6's, 5-20's.....	20 years from May 1, 1862*	514,771,800 00	15,443,148 00
6's of 1861.....	After June 30, 1861	75,000,000 00	1,500,000 00
5's, 10-40's.....	40 years from March 1, 1864†	194,567,300 00	1,621,394 17
6's, 5-20's.....	20 years from November 1, 1864*	3,882,200 00	116,475 00
6's, 5-20's.....	20 years from November 1, 1864*	125,561,200 00	3,766,338 00
6's, 5-20's.....	20 years from November 1, 1865*	205,527,250 00	6,069,817 50
6's, 5-20's.....	20 years from July 1, 1865*	332,997,950 00	6,659,978 00
6's, 5-20's.....	20 years from July 1, 1867*	379,647,850 00	7,591,897 00
6's, 5-20's.....	20 years from July 1, 1868*	42,407,350 00	850,787 00
Aggregate of debt bearing interest in coin.....		\$2,105,948,300 00	\$48,274,265 33
Coupons due, not presented for payment.....			4,547,513 33
Total interest.....			\$52,821,778 66

Debt bearing interest in Lawful Money.

3's, Certificates, On demand (Interest estimated).....	\$45,535,000 00	\$170,443 33
3's, Navy pen. f'd. Interest only applic. to pay. of pensions.....	14,000,000 00	140,000 00
Aggregate of debt bearing interest in lawful money.....	\$59,535,000 00	\$310,443 33

Debt on which interest has ceased since maturity.

6's, Bonds..... Matured December 31, 1883.....	\$6,000 00	\$367 00
6's, Bonds..... Matured December 31, 1887.....	12,350 00	741 00
6's, Bonds..... Matured July 1, 1898 (9 months' inter.).....	43,700 00	1,311 00
5's, Texas indem. Matured December 31, 1884.....	242,000 00	12,100 00
Var., Tr'y notes. Matured at various dates.....	89,625 35	2,833 75
50's, Tr'y notes. Matured March 1, 1889.....	2,000 00	108 00
6's, Treas. notes. Matured April and May, 1883.....	3,250 00	195 00
7's-10's, 3 years..... Matured August 19 and October 1, 1884.....	30,000 00	1,095 01
7's-10's, 3 years..... Matured from Jan. 7 to April 1, 1886.....	232,812 00	12,287 00
6's, Certif. of ind. Matured at various dates in 1866.....	6,000 00	373 48
6's, Comp. int. n. Matured June '0, 1867, and May 15, 1868.....	2,234,420 00	476,381 98
4, 5 & 6's, Temp. l. Matured October 15, 1866.....	181,310 00	7,501 91
7's-10's, 3 years..... Matured August 15, 1867, and June 15 and July 15, 1868.....	681,100 00	24,390 16
Aggregate of debt on which int. has ceased since matur.....	\$3,790,567 35	\$490,553 30

Debt bearing no interest.

Authorizing acts.	Character of issue.	Amt. outstand.
July 17, 1861 and Feb. 12, 1862.....	Demand notes.....	\$107,221 00
Feb. 25 & July 11, '62, & Mar. 3, '63.....	U. S. legal-tender notes.....	356,000,000 00
July 17, 1862.....	Postal currency.....	39,354,321 08
March 3, 1863 and June 30, 1864.....	Fractional currency.....	33,840,400 00
March 3, 1863.....	Certificates for gold deposited.....	33,840,400 00

Aggregate of debt bearing no interest.....\$429,301,942 08

Recapitulation.

	Amount	Interest
DEBT BEARING INTEREST IN COIN—Bonds at 5 p. cent.....	Outstanding.	
Bonds at 6 p. cent.....	\$221,581,000 00	
	1,836,353 900 00	
Total debt bearing interest in coin.....	\$2,107,943,200 00	\$32,821,773 66
DEBT BEARING INTEREST IN LAWFUL MONEY—		
Certificates at 3 per cent.....	\$45,535,000 00	
Navy pension fund, at 5 per cent.....	14,000,000 00	
Total debt bearing interest in lawful money.....	\$59,535,000 00	\$10,443 33
DEBT ON WHICH INT. HAS CEASED SINCE MATURITY.....	\$3,790,567 35	\$490,553 30
DEBT BEARING NO INTEREST—		
Demand and legal tender notes.....	\$354,107,221 00	
Postal and fractional currency.....	39,354,321 08	
Certificates of gold deposited.....	33,840,400 00	
Total debt bearing no interest.....	\$429,301,942 08	
Total.....	\$2,600,570,779 43	\$33,622,775 29
Total debt, prin. & int., to date, including coupons due not presented for payment.....	\$2,654,193,484 72	
AMOUNT IN THE TREASURY—		
Coin.....	\$115,522,213 63	
Currency.....	6,954,064 06	
Sinking fund, in U. S. coin int't b'ds, and acc'd int. thereon.....	33,266,162 68	
Other U. S. coin int. b'ds purchased, and acc'd int. thereon.....	77,583,680 00	
Total.....	\$233,326,120 37	
Debt, less amount in the Treasury.....	2,420,864,364 35	
Debt, less amount in the Treasury on the 1st ultimo.....	\$2,432,362,127 74	
Decrease of debt during the past month.....	11,697,793 39	
Decrease of debt since March 1, 1870.....	\$17,464,142 82	

Bonds issued to the Pacific Railroad Companies, Interest payable in Lawful Money.

Character of Issue.	Amount outstanding.	Interest accrued and not yet paid.	Interest paid by United States.	Interest repaid by int'e paid transp'n by United States, of mails, &c.	Balance of States.
Union Pacific Co.....	\$37,075,000 00	\$511,500 00	\$2,891,729 85	\$1,240,775 25	\$1,640,954 60
Kansas Pacific, into U. P. E. D.....	6,803,000 00	126,000 00	1,023,000 00	675,324 04	348,579 05
Sioux City and Pacific.....	1,628,520 00	32,564 40	145,338 29	369 34	144,988 89
Central Branch Union Pacific, assigns of Atchison & Pike's Peak.....	1,000,000 00	22,000 00	233,808 26	7,401 92	246,406 24
Western Pacific.....	1,570,000 00	38,366 00	73,288 76		73,288 67
Total issued.....	64,477,520 00	1,232,188 58	6,879,832 51	2,062,784 16	4,816,048 35

* These bonds are redeemable at any time after 5 years from the date here given and payable after 40 years.

† These bonds are redeemable at any time after 10 years from the date here given and payable after 20 years.

NEW YORK STATE RAILROADS.

The table following shows the statement of all the prominent railroads of New York State, for the year ending September 30th, 1869. The returns are made officially to the State Engineer, at Albany:

NAME OF ROAD.	Capital stock paid in.	Cost of road & equipment.	Total amount of funded debt.	Total amount of floating debt.	Length of road laid.	Num. of miles traveled by passengers.	Total freight or freight of one mile.	EARNINGS.		PAYMENTS.			
								From freight.	From passen.	Total Earnings.	Transportation Expenses.	Interest.	Dividends for
Adirondack Company.....	\$1,183,000	\$2,597,663	\$15,000	\$1,265,943	87.00	299,735	254,295	\$21,733	\$11,418	\$33,151	\$60,462	\$20,573	
Albany & Susquehanna.....	2,148,200	7,185,162	4,175,000	194,522	162.10	9,214,589	7,690,763	363,546	250,440	513,983	1,040,000	8,175	
Albany & West Stockbridge.....	1,000,000	2,411,065	1,411,065		12.00	8,918,193	81,701,193	1,721	19,148	20,869	26,223	1,401	
Avon, Genesee & Mount Morris.....	194,250	217,914	700,000	574,315	43.30	486,383	6,798,704	142,162	73,293	225,455	145,673	70,992	
Buffalo, Corry & Pittsburg.....	128,171	1,145,547	700,000	574,315	43.30	486,383	6,798,704	142,162	73,293	225,455	145,673	70,992	
Buffalo & Erie (for 11 months).....	600,000	7,085,461	4,000,000		93.00	23,333,163	46,354,737	1,311,657	20,431	49,171	1,896,100	225,500	480,000
Buffalo & Niagara.....	423,473	638,136		66,273	13.00	664,740	3,532,562	1,012,1	59,88	151,951	23,409		60,074
Buffalo, Rochester & Albany.....	569,110				34.61	897,443	1,012,1	59,88	151,951	23,409			
Canandaigua & Tonawanda.....	500,000				47.00	4,385,767	14,960,797	295,965	114,354	445,72	414,691		
Elmira & Williamsport.....	1,000,000	2,218,000	1,570,000		42.25	128,535,103	817,829,190	13,006,536	105,811	6,731,303	18,718,087	1,703,771	
Erie Railway.....	76,536,910	65,131,359	23,396,500		134.00	198,773,890	110,121,203	3,905,593	3,916,735	609,15	182,23	15,350	
Hudson River.....	16,020,800	19,319,351	4,202,220	167	134.00	198,773,890	110,121,203	3,905,593	3,916,735	609,15	182,23	15,350	
Long Island.....	3,000,000	7,624,604	1,206,985	200,00	594.75	295,185,610	471,419,796	10,457,91	4,228,410	15,5,616	9,054,9	8,7329	2,123,584
New York Central.....	2,700,000	10,154,932	3,085,980	110,000	130.75	27,935,142	17,178,685	6,008,904	2,269,988	6,484,457	1,317,16	840,404	687,503
New York & Harlem.....	750,000	1,061,000	182,750	182,750	63.82	70,799,629	80,882,350	839,019	1,118	1,18	1,08,008	72,935	
New York & Lake Champlain.....	600,000	5,708,317	516,500	110,000	118.00	5,248,113	2,935,451	13,457,2	1,118	1,18	1,08,008	72,935	
Ogdensburg & Syracuse.....	400,000	1,445,996	591,000	2,500	36.29	3,414,428	81,164,575	644,361	13,251	280,506	70,312		
Rensselaer & Saratoga.....	3,000,000	5,814,900	1,500,000		181.00	16,489,696	16,034,577	541,919	174,886	1,919,303	896,743	1,431,5	
Rome, Watertown & Ogdensburg.....	2,776,400	4,000,000	1,917,600	256	189.63	14,614,331	15,034,577	541,919	174,886	1,919,303	896,743	1,431,5	
Syracuse, Binghamton & New York.....	1,470,189	3,550,906	1,707,000	390,000	54.91	4,993,322	2,094,931	76,139	1,403	231,814	119,377	57,000	
South Side, L. I.....	497,751	9,573,598	1,670,000	425,000	54.91	4,993,322	2,094,931	76,139	1,403	231,814	119,377	57,000	
Troy & Boston.....	600,000	1,758,246	151,000		69.00	2,960,504	1,172,570	110,229	308,191	529,680	222,666	190,000	
Utica & Black River.....	1,000,000	1,600,000	151,000		66.00	2,244,178	734,733	71,595	112,113	238,147	98,003	4,365	115,673
Utica Chenango & Susquehanna Valley.....	1,582,550	1,580,221			66.00	2,244,178	734,733	71,595	112,113	238,147	98,003	4,365	91,040

† Earnings on portion of road in this State, 15.29 miles.

‡ Includes coupon interest.

* From Report of 1868.

† Includes branches and roads operated by Company.

‡ Includes \$1,585,024 dividends on interest certificates.

QUICKSILVER MINING COMPANY.

At the annual meeting of the stockholders of the Quicksilver Mining Company, held a short time ago, the following amendment to the by-laws and resolutions were adopted by a unanimous vote of 75,658 shares: Certificates of stock amounting to \$10,000,000 shall represent the value of the property of the corporation, and the capital stock shall be divided into 100,000 shares of \$100 each. Certificates of stock upon which \$5 per share shall be paid shall be distinguished as preferred stock. The preferred stock shall be entitled to interest at the rate of seven per cent per annum, from the 1st of May, 1870, to be paid annually out of the net earnings of the Company for each year. Should there remain a surplus of earnings after the payment of the said interest upon the preferred stock, then this surplus shall be divided pro rata among the holders of preferred and common stock, in proportion to their several interests.

Resolved, That a preferred stock of the Company be issued in shares of \$100 each and that the Treasurer be directed to open books at the office of the Company in the City of New York, and to receive subscriptions to said preferred stock. Such subscriptions shall be received only from the holders of the common stock of the Company on their surrendering to the Company common stock and paying to the Treasurer \$5 per share on each share of stock surrendered. The common stock so surrendered shall be cancelled before the issue of the preferred stock, share for share.

Resolved, That the books for subscription to the preferred stock shall be closed by the Board of Directors whenever the interests of the Company, in their opinion, will be promoted by so doing.

The book for subscription to preferred stock were closed on Monday, April 18.

NATIONAL FREEDMAN'S SAVINGS AND TRUST COMPANY.

An abstract of the fifth annual report, made to the Board of Trustees, at Washington, D. C., on the 10th of March, 1870, shows that the relative business of the company on the 1st of March in each year has been as follows:

Years.	Total am't deposits.	Total am't drafts.	Net deposits.	Av. m'thly deposits.	Av. m'thly inc. pr. ct.
			its.	cr. its.	per an.
1866.....	\$305,167	\$105,883	\$199,283	\$25,420	\$3 823
1867.....	1,634,851	1,358,515	276,336	108,973	96,153
1868.....	2,542,378	2,944,079	638,299	163,127	140,463
1869.....	7,357,793	6,184,333	1,073,465	306,265	270,021
1870.....	12,605,781	10,948,775	1,657,006	445,665	397,037

The gain for the past year is \$583,541 44. The average increase of one year upon another is 73 per cent. The amount now on deposit is eight dollars for every dollar March 1, 1866. The company has paid in cash, interest to its depositors, \$79,948 13.

The amount due depositors on the 1st day of March, 1870, being the entire liabilities of the company, is \$1,657,006 75
The assets of the company amounts at same time to 1,683,158 93

The great success which has attended the operations of the company encourages the board to hope that they have, as yet only seen the beginning of the work of economy among the people of color. Instead of thirty thousand depositors there should be three hundred thousand. If the people of color had the same ratio on deposit with their banks as the people in Rhode Island have in the savings banks of that state, our net deposits would reach two hundred millions. Though so much has been done in a short time, much remains to be done. This National savings bank offers a perfect security, its investments being in Government securities. It pays to its depositors all its net earnings. The principal officers of the company are, for the year 1870, President, J. W. Alvord; 1st Vice-President, Gen. O. O. Howard; Chairman of Finance Committee, H. D. Cooke, Esq.; Inspector, S. L. Harris; D. L. Eaton, Actuary.

THE CONSOLIDATION COAL COMPANY OF MARYLAND.

The following is extracted from the report of the Committee on addition to the Stock Lists (of Stock Exchange) in regard to the financial condition of the Consolidation Coal Company of Maryland, the stock of which Company was yesterday put on the list:

COMMITTEE ON STOCK LIST, N. Y. STOCK EXCHANGE, }
New York, April 26, 1870. }

The official statement of "The Consolidation Coal Company," of Maryland, organized in 1864, under special charter of the State of Maryland, dated March 9, 1860.

Under authority of its charter this Company has acquired the coal and other lands and the railroad interests of the Cumberland Coal and Iron Company over 10,000 acres, 4,000 acres of which are of the large coal bed of Alleghany Co., paying for the same in 50,000 shares of stock at par.

Capital Stock, 100,000 shares, \$100 each. Represented as follows;.....	\$20,000,000
Issued and registered in Union Trust Company	\$10,350,000
Reserved for conversion of Consolidation Coal Company's outstanding mortgage bonds.....	518,000
Unissued and re-served for proposed acquisition of other coal properties in Alleghany County.....	9,177,000
Total.....	\$20,000,000
Consolidated Coal Company's 1st mortgage 7 per cent bonds, dated December, 1864, payable 18-5: interest payable January and July. Principal and interest payable in New York city.....	650,000
Retired by Sinking Fund.....	\$77,000
Now issued	573,000
Total... ..	\$653,000

Trustees: { J. B. JOHNSON,
THOMAS PATON.

Cumberland Coal and Iron Company's 1st mortgage 6 per cent bonds, dated Dec., 1864; payable 1879; in erect payable January and July. Principal and interest payable in New York (with Sinking Fund).....	357,000
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Trustees: { JAMES BROWN,
LOWELL HO BROOK,
J. E. WILLIAMS.

Cumberland Coal and Iron Company's 2d mortgage 6 per cent bonds, dated February, 1869; payable 1879: interest payable February and August. Principal and interest payable in New York.	498,000
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Trustees: { C. A. R. FALLIS,
K. P. GETTY.

Cumberland and Pennsylvania Railroad 1st mortgage 6 per cent bonds, dated March, 1866; interest payable March and September. Principal and interest payable in New York	1,000,000
Reserved for future use of united companies.....	97,000
Now issued.	903,000
Total.....	\$1,000,000

Trustees: { HENRY A. MOTT,
C. F. LIVERMORE.

Cumberland and Pennsylvania Railroad 2d mortgage 6 per cent bonds, dated May, 1868; interest payable May and November. Principal and interest payable in New York	800,000
Retired by Sinking Fund.....	\$1,000
Now issued.....	799,000

Total.....	\$800,000
Total Capital Stock and Bonds.....	\$23,705,000

The Cumberland Coal and Iron Company has reserved 300 acres of their coal land for the use of the blast furnace, constructed at a cost of one hundred and twenty thousand dollars, and has also reserved the right to mine the iron ore on any part of the lands deeded to the Consolidation Company. It has a cash capital of about one hundred thousand dollars. The capital stock of the "Cumberland Coal and Iron Company, Reduced Capital," is 5,000 shares, \$100 each, making \$500,000.

The Committee recommend that the "Consolidation Coal Company of Maryland" be called in place of the "Cumberland Preferred," and that "Cumberland Coal and Iron Company, Reduced Capital," be called immediately after the Consolidation Coal Company.

A. D. WILLIAM, Chairman.

RAILROAD ITEMS.

BALTIMORE AND OHIO RAILROAD COMPANY—FORTY-THIRD ANNUAL REPORT—FOR THE YEAR ENDED SEPT. 30, 1869.—The gross earnings of the Main Stem, including the Winchester and Potomac and Washington County Branches, have been \$8,724,915 74. The expenses of working and keeping the roads and machinery in repair amounted to \$5,756,106 46, being 65 97-00 per cent upon the earnings, showing a decrease of 89-100 of one per cent compared with the previous year.

The following statement is given in order to furnish particulars of the expenses and earnings in comparison with the two preceding years, the Main Stem including the Winchester and Potomac and Washington County Branches, and the Parkersburg Branch and Washington Branch Roads.

	1868.			1869.		
	Pass'gers.	Tonnage.	Total.	Pass'gers.	Tonnage.	Total.
Main Stem.....	\$1,451,513	\$3,107,190	\$7,158,644	\$1,346,919	\$7,477,906	\$8,734,915
Parkersburg Branch.....	58,728	432,586	531,314	101,145	434,837	536,033
Washington Branch.....	304,110	20,147	324,253	329,797	86,126	415,924
Totals.....	\$1,852,353	\$3,619,864	\$8,472,917	\$1,677,863	\$7,999,011	\$9,676,873

The aggregate expenses of operating and repairs were as follows:

	1868.	1869.
Main Stem.....	\$5,054,448 73	\$5,756,106 46
Washington Branch.....	104,584 91	133,415 80
Parkersburg Branch.....	641,067 87	694,605 34
Totals.....	\$5,760,111 51	\$6,580,127 60

And the aggregate net earnings, after deducting the cost of operating and repairs as follows:

	1868.	1869.
Main Stem.....	\$2,504,195 78	\$2,968,809 28
Washington Branch.....	277,683 58	277,518 25
Parkersburg Branch.....	*89,752 11	*158,572 00
Totals.....	\$2,692,106 25	\$3,087,745 44

Showing an aggregate net increase, compared with the preceding year, of \$395,639 19.

During the fiscal year the sinking fund for the redemption of the city loan increased to \$1,201,488 92, showing a gain of \$61,784 42.

A dividend of 4 per cent upon the capital stock was paid on the 30th of October, 1868, and a similar dividend on the 30th of April, 1869. The United States tax thereon was also paid by the Company.

The liabilities of the Company, compared with the statement of September 30th, 1868, show reductions by payments on account of the debts stated, as follows:

On N. W. Va. Second Mortgage Bonds indorsed by the Baltimore and Ohio Railroad Company.....	\$7,500 00
On N. W. Va. Third Mortgage Bonds indorsed by the Baltimore and Ohio Railroad Company.....	2,000 00
Total.....	\$16,500 00

The balance of cash in the Treasury on September 30th, 1869, was \$64,125 54, after deducting \$121,215 for payment of the interest on the city loan and on the bonds of the Company, which matured October 1st, 1869.

The President remarks: "Important progress was made in the construction of the piers for the great bridges over the Ohio river, to connect the main stem with the Central Ohio Road at Bellaire, and the Parkersburg Branch Road with the Marietta and Cincinnati Road at Belpre. This difficult work is so far advanced as to assure the early completion of these important structures. The expenditures for these bridges amounted, at the close of the year, to \$47,745 06.

"Under the policy adopted upon entering into the possession of the Central Ohio Road, large expenditures have continued to effect the permanent improvement of its tracks and works.

* Deficit.

"The amount required for payments under the contract, and for working and improving the condition of the Central Ohio Division, exceeds the net income \$202,845.06.

"This sum has been charged to the account of profit and loss.

"On the 13th of February, 1869, an agreement was made between the Sandusky, Mansfield and Newark Railroad Company, as reorganized, and the Central Ohio Railroad Company, as reorganized, for the lease of the former by the latter road, under the guarantee of the Baltimore and Ohio Railroad Company. Under this contract the working and management of the Sandusky, Mansfield and Newark Railroad was transferred to the Baltimore and Ohio Railroad Company on the 1st of July last. This line, now known as the Lake Erie Division of the Baltimore and Ohio Railroad, is 116 miles in length, namely, from Newark, on the Central Ohio Division, to the city of Sandusky, on Lake Erie. The direct line under the control of the Baltimore and Ohio Company, from Sandusky to Baltimore, is 595 miles in length, over which loaded cars are transported without break of bulk. This additional convenient outlet for the commerce of the great Lakes and of the extensive intermediate regions to the city of Baltimore will afford such advantages that a large increase of business must result.

Treasurer's statement of the liabilities and assets of the Baltimore and Ohio Railroad Company, September 30th, 1869.

LIABILITIES.

Stock held by individuals.....	\$9,322,000	
Stock held by the city of New York.....	161,000	
Stock held by the city of Baltimore.....	2,250,000	
Stock held by the State of Baltimore.....	500,000	
		<hr/>
		\$13,143,000
Stock scrip not funded.....		8,962
Preferred stock.....		8,000,000
Preferred stock, second series.....		115,900
Loan redeemable in 1875, with coupons, interest semiannually in January and July.....		808,250
Loan redeemable in 1880, with coupons, interest semi-annually in January and July.....		579,500
Loan redeemable in 1885, with coupons, interest semi-annually, in April and October.....		1,710,500
City loan.....		5,000,000
Bonds of the Northwestern Virginia Railroad Company guaranteed by the Baltimore and Ohio Railroad Company, of which the payment, principal and interest, has been assumed by the Baltimore and Ohio Railroad Company, under contract of July 18th, 1864, viz.:		
Second mortgage indorsed bonds.....	\$458,500	
Third mortgage indorsed bonds.....	140,000	
		<hr/>
		598,500
Unclaimed dues.....		50,610
Washington Branch Road.....		377,660
Balance of outstanding accounts, &c.....		805,983
Profit and loss.....		20,361,676
		<hr/>
Total.....		\$46,115,543

ASSETS.

Cost of road.....	\$18,715,835	
Second track.....	3,768,755	
Holling power.....	5,096,460	
Real estate.....	1,704,677	
		<hr/>
		\$29,285,727
Central Ohio first mortgage bonds.....	1,580,246	
Stock of the Central Ohio Railroad Company as reorganized.....	424,828	
Stock and bonds of the Pittsburg and Connellsville Railroad Company.....	310,102	
Preferred stock of the Parkersburg Branch Railroad Company.....	5,680,684	
Parkersburg Branch Railroad Company.....	1,558,853	
Stocks and bonds, including those of municipal and railroad corporations.....	1,459,968	
Washington County Railroad Company.....	778,624	
Winchester and Strasburg Railroad Company.....	162,603	
Metropolitan Branch Railroad.....	479,709	
Stock of the Washington Branch.....	1,025,000	
Sinking fund for the redemption of the Five Million Loan.....	\$1,201,483	
Sinking fund for the redemption of the ground rents on Camden Station.....	101,191	
		<hr/>
		1,302,680

Ohio river bridges at Benwood and Parkersburg	647,745
Uncollected revenue	673,565
Material on hand in the Machinery Department	336,008
Road Department materials on hand	496,130
Treasurer's Balance on hand in the Treasury after payment of \$121,715 for interest on the bonds of the Company which matured October 1st, 1869	64,125
Total	\$16,115,543

MARIETTA AND CINCINNATI RAILROAD—ANNUAL REPORT FOR THE YEARS ENDING DECEMBER 31, 1868 AND 1869:

EARNINGS.

	1868.	1869.
From passengers	\$639,373	\$3,316
" freight	814,529	989,603
" mail	23,787	23,787
" express	62,718	88,454
" telegraph	7,725	6,335
	\$1,117,617	\$1,391,345

EXPENSES.

Road department	\$402,967	\$491,077
Machinery department	881,265	280,802
Transportation department	236,357	240,403
General charges	7,612	88,151
Telegraph	13,985	13,971
Mileage of cars	12,499	31,758
	\$1,117,617	\$1,343,664
Net earnings	\$170,469	\$117,681

Compared with the previous year, the gross earnings show an increase of \$103,258 53, with an increase in expenses of \$126,046 98—making a decrease in net earnings of \$22,788 45.

The policy adopted in 1868 of placing the line, as rapidly as practicable, in good condition, was steadily maintained during 1869. Notwithstanding a very considerable floating debt was created previous to 1869 in furtherance of this object, the Board decided to continue this liberal policy until the road could be regarded as in first-class condition.

The very heavy expenditures of the past two years, incurred in the effort to place the road in first-class condition, have created a floating debt amounting to \$972,290 32.

Although so much has been accomplished, a great amount of work upon the road remains to be done, and additional equipment must be provided to meet the rapidly-increasing traffic.

DEBIT.

Railway and equipment	\$11,585,896	
Hillsboro Branch purchase	1,898,796	
Union Branch purchase	178,336	
Portsmouth Branch purchase	800,000	\$14,453,029
Construction—main line	\$4,018,633	
" Cincinnati extension	1,251,110	
		5,269,743
Suspense account	\$155,000	
Real estate	504,184	
Bonds and stocks	52,965	
Columbus & Hocking Valley R. R. subscription	50,000	
Cincinnati & Baltimore R. R. subscription	100,000	
Cincinnati & Baltimore R. R. (amount advanced to)	72,929	
Bills receivable	24,632	
Uncollected revenue	63,342	
Materials on hand, including fuel	97,225	
		1,120,379
Profit and loss, to balance		1,391,077
		\$22,233,000

CREDIT.

First Preference stock and scrip	\$8,130,719
Second Preference stock and scrip	4,460,363
Common or Deferred stock and scrip	2,029,778
	\$14,620,865

Liabilities—		
First Mortgage (£) bonds issued	1,050,000	
First Mortgage (currency) bonds issued	2,440,700	
First Mortgage (currency) scrip issued	4,695	
Second Mortgage bonds issued	2,500,000	
Cleota & Hocking Valley bonds	300,000	
City of Baltimore Loan to Union R. R.	2,000	
		6,324,395
Pay roll	\$108,771	
Bills payable and cash borrowed	883,518	
		972,290
Dividends on preferred stock unpaid	7,408	
CURRENT accounts due railroads, &c.	208,080	
		315,529
		\$7,233,080

The Cincinnati and Baltimore Railway.—Under the resolution of the Board authorizing a subscription for \$250,000 of the capital stock of the Cincinnati and Baltimore Company, the Marietta and Cincinnati Company has subscribed and paid for \$100,000 of stock, and advanced \$72,929 in cash, additionally. During the great financial stringency, prevailing through the entire year, very little progress was made in obtaining individual subscriptions to the stock, but efforts will be renewed to secure subscriptions in Cincinnati. The guarantee by the Marietta and Cincinnati Company of a dividend of eight per cent annually, free of tax, makes this a most desirable investment.

BRIDGE AT PARKERSBURG

The Baltimore and Ohio Company has pressed with great vigor the work upon this structure, and has completed all the piers in the Ohio river. A large amount of work has also been done upon both shores, and there is every reason to suppose that the bridge will be finished in 1870. This improvement is of the greatest value to the Marietta and Cincinnati Company, and a large increase of revenue, particularly from through traffic, may be anticipated upon its completion.

GENERAL REMARKS.

The large outlays upon the road during 1868 and 1869 have greatly improved its material condition, which may now be regarded as superior to that of any previous period in the Company's history. The singular exemption from accident, with which a schedule for passenger trains, much faster than heretofore in operation, has been maintained, and with which the large freight traffic has been performed, is sufficient evidence of the wisdom and true economy of these expenditures. There is every reason to believe that the business of the Company for 1870 will exceed that of any previous year.

From the relief to the financial condition of the Company, by sale of bonds proposed to be issued, it is expected that the Company will be able to furnish at all times sufficient equipment to perform any amount of business it can secure.

The completion of the Cincinnati and Baltimore railway and the Ohio river bridge at Parkersburg, together with the improvements, which will be vigorously pressed, will furnish a first-class line from Cincinnati to the Atlantic seaboard, shorter than any existing route, and the ultimate success of the Company cannot be doubted.

No settlement having been effected regarding \$155,000 second mortgage bond not accounted for by S. B. Keys, or Keys & Brother, referred to in last annual report, suit has been ordered against A. L. Mowry, Samuel B. Keys, and George E. Bend.

NEW JERSEY RAILROADS.—The United companies of New Jersey, composed of the Delaware and Raritan Canal Company, the Camden and Amboy Railroad and Transportation Company, and the New Jersey Railroad and Transportation Company, for the year ending Dec. 31, 1869, report as follows:

RECEIPTS.	
From passengers	\$2,835,422 70
Freights	2,785,541 43
Mails	41,634 23
Miscellaneous	52,185 71
Delaware and Raritan Canal tolls	1,043,895 64
Steam towing	476,607 31
Rents and auxiliaries	877,683 68
Total	\$7,612,980 70

EXPENSES.	
Operating railroads.....	\$3,970,385 03
Operating canal.....	311,651 86
Operating steam towing.....	417,703 59
	<u>4,699,740 48</u>
Interest.....	801,906 02
Transit duties and taxes.....	363,507 29
General expenses.....	190,644 70
	<u>1,355,058 01</u>
Profit and loss carried to surplus earnings.....	\$1,578,154 60

Two dividends of five per cent each in cash have been paid during the year.

The Camden and Amboy Railroad and Delaware and Raritan Canal, separately, were as follows:

RECEIPTS.	
Earnings of the railroad.....	\$3,789,664 43
Received for operating Philadelphia and Trenton Railroad.....	440,000 00
	<u>\$4,229,664 43</u>
Earnings of the Canal.....	1,03,260
Steam towing and auxiliary works.....	6 6,355
Total.....	\$5,920,680

DISBURSEMENTS.	
Expenses of the Railroad.....	\$2,531,639 58
Expense of operating Philadelphia and Trenton RR.....	440,000 00
	<u>2,971,639 58</u>
Expenses of the Canal.....	303,008
Steam towing.....	447,640
Interest and general expenses.....	884,411
Taxes.....	107,055
State taxes of the New Jersey Railroad and Transportation Co.....	96,834
Balance.....	1,180,091
Total.....	\$5,920,680

KANSAS PACIFIC RAILWAY.—ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDING 1869.

To the Stockholders of the Kansas Pacific Railway Company:

The Board of Directors submit herewith their annual report of business, earnings and general affairs of the company for the year ending December 31, 1869:

EARNINGS FROM FREIGHTS.	
Commercial.....	\$1,128,848 50
Government.....	227,858 06
Construction.....	144,212 71
Total freight.....	\$1,500,919 27

PASSENGER.	
First class.....	\$526,478 53
United States troops.....	85,363 42
Expenses.....	30,79 25
United States mails.....	65,500 00
Total passenger.....	\$717,521 19

EXPENSES.	
Conducting transportation.....	\$331,145 80
Motive power.....	489,457 22
Maintenance of cars.....	101,872 64
Maintenance of way.....	396,221 03
General expenses.....	67,983 83
Total working expenses.....	\$1,386,680 02
Net earnings.....	\$339,070 09
Distribution of earnings, merchandise, and passenger traffic.....	\$1,703,415 92
Government business.....	378,221 48
Construction material.....	144,212 71
Total.....	\$2,215,850 11

The average length of the road in operation during the year was 438 55-100 miles—being 35 miles more than in 1868.

The gross earnings were equal to \$5,075 48 per mile of road operated—this is an increase of \$339 85 per mile on the earnings of last year.

Total number of passengers carried in 1869 was 146,583, an increase of 37,351, or 34 per cent on the passenger travel of 1868.

Total amount of freight carried in 1869 was 175,508 tons, an increase of 51,141 tons, or over 41 per cent on the tonnage of 1868.

Average distance one ton of freight was transported, 140 miles. Average distance one passenger was transported 66 miles; being 22 miles less for freight and 5 miles more for passengers than last year.

It will be observed that the business of the road has been almost entirely of a local character, and a very large proportion of it has been confined to the first two hundred miles of the line west of Kansas City.

The operations of the land department during the year are shown in the following statement:

Acres sold	884,185
Cash received.....	\$247,376 49
Notes.....	780 904 98
Total	\$1,008,191 47
Expenses.....	85,551 82
Net proceeds.....	\$972,639 65

The total land grant to the company is about 6,000,000 acres, of which 1,000,000 lying east of Ellsworth, have been in market during the year.

The result of sales is very satisfactory in view of the active competition existing between the various companies possessing large grants of land in the State.

The land department has been efficiently managed, and a portion of the settlers moving to Kansas have been secured to the line of this road.

Your board are well satisfied that the best interests of the company are served by holding the lands at a fair and moderate price per acre as an inducement to their speedy settlement, and the wisdom of this policy is shown in the magnitude of the sales made, and in the very large increase in the local business of the road. We believe that the lands of the company are now offered for sale at lower rates and on more advantageous terms to the purchaser than any other lands equally fertile and desirable in the country.

At this date the track is laid and the road in operation to Kit Carson, 83 miles west of Sheridan. The grading is all under contract, and iron and other material ordered for delivery within the next three months for the remaining 150 miles between Kit Carson and Denver, and it is expected to have the whole road finished and in operation by September next.

The gross earnings of your road for 1870 will probably approximate \$2,000,000, and with the natural growth of trade in Colorado and Kansas immigration, stimulated by the completion of these railroads, the gross earnings for 1870 will doubtless exceed \$4,000,000.

CLEVELAND, COLUMBUS, CINCINNATI, AND INDIANAPOLIS, RR.—The Annual Report for the year ending Dec. 31, 1869, shows that the earnings have been as follows:

From passengers.....	\$840,773 54;
From freight.....	2,090,542 76
From express.....	85,663 61
From mail.....	61,963 00
From rents.....	49,304 57
From interest and dividends.....	14,019 15
From miscellaneous sources.....	694 23
	\$3,142,889 91
The ordinary expenses for operating the railway during the year were.....	2,014,853 18
	\$1,128,034 78
National, State, and Municipal Taxes.....	\$170,887 17
Interest on Bonds.....	151,701 21
	322,588 38
Net earnings.....	\$805,446 40

Out of which Dividends have been paid—

August 1, 1869, 3¼ per cent.....	\$365,999 00	
February 1, 1870, 3¼ per cent.....	806,984 50	
		781,898 50
Leaving a surplus for the year of.....		\$ 3,423 90
Add surplus as per ledger.....		125,094 50
		\$206,547 40
Less discount on bonds sold.....		146,200 00
Surplus January 1, 1870.....		\$152,347 40

The assets and liabilities of the company, as shown on its books, are as follows:

<i>Assets.</i>		
Cost of road, depots and equipment.....	\$12,160,636 77	
Materials on Hand—		
For repairs of track and fences.....	\$134,531 37	
For repairs of cars and engines.....	146,718 42	
Fuel, oil and waste.....	124,358 50	
		405,608 29
Cash and Cash Assets—		
Cash in hands of Treasurer.....	806,770 19	
Due from agents.....	42,941 84	
Due from other companies	71,711 59	
Due from Post Office Department.....	8,548 53	
		929,966 65
Other Assets—		
Indianapolis & St. Louis Railroad, Stock.....	300,000 00	
" " " Bonds.....	150,000 00	
" " " Trustees.....	73,968 40	
Pittsburg, Fort Wayne & Chicago Railroad, Stock.....	52,800 00	
Scioto & Hocking Valley Railroad, Bonds.....	2,000 00	
Real Estate not used for roads and depots	26,771 14	
Wood lands.....	45,864 06	
Pendleton Stone Quarry.....	4,915 46	
Bills receivable.....	11,971 18	
Insurance scrip.....	185 00	
		668,005 19
		\$14,164,231 90
<i>Liabilities.</i>		
Capital stock.....	\$11,620,000 00	
Less amount owned and held by this Company.....	1,159,100 00	
		\$10,460,900 00
C. C. & C. R. R. mortgage bonds (\$25,000 falling due each year).....	365,000 00	
B. & I. R. R. 1st mortgage bonds (old), past due....	2,000 00	
B. & I. R. R. 1st mortgage bonds, average \$25,000 falling due annually.....	718,000 00	
B. & I. R. R. 2d mortgage bonds, due April 1, 1870.....	14,000 00	
B. & I. R. R. income bonds, due Feb. 1, 1870*.....	40,500 00	
I. P. & C. R. R. 1st mortgage bond, due Jan. 1, 1870*.....	232,000 00	
I. P. & C. R. R. 2d mortgage bonds, due Oct. 1, 1870.....	176,500 00	
C. C. & I. Railway 1st mortgage sinking fund bonds.....	1,637,000 00	
Dividend No. 4, payable February 1, 1870.....	365,984 50	
Surplus earnings.....	152,347 40	
		\$14,164,231 90

By reference to the report of the Superintendent, and detailed statements herewith, the following comparative exhibit is obtained:

Total tonnage moved in 1869.....	825,464 1710-2000 tons.
" " " 1868.....	628,356 1045-2000 "
Increase, 31¼ per cent.....	197,108 665-2000 tons
Total earnings from freight transportation in 1869.....	\$2,090 542 76
" " " 1868.....	1,818,129 82
Increase, 13 4-10 per cent.....	\$247,412 94

This great difference in percentage of tonnage and earnings, is largely owing to the severe competition of Eastern Trunk Lines, in their efforts to control the Westward bound traffic of the country, resulting in a reduction of rates of transportation, for a large part of the year, below the *minimum* necessary to produce sufficient revenue to meet the proper cost of moving such tonnage.

† \$37,000 of these bonds have been paid since Dec. 31.

* Nearly all of these bonds were presented and paid at maturity.

It is hoped that the great East and West lines may hereafter so far agree as to prevent improper rivalries, and maintain an effective cooperation for the benefit of all the great interests involved.

The Indianapolis and St. Louis Railroad Company (of which this company owns one half the share capital) is progressing very satisfactorily with the work of construction of their road between Indianapolis and Terre Haute. At the latter point it connects with the St. Louis, Alton and Terre Haute Railroad, of which it is the lessee. Thirty miles of the track is already laid, and the grading so far advanced on the remainder of the line as to permit the resumption of track-laying in March. The whole road will be completed and opened for business by the 1st of July next, giving this road a permanent and satisfactory through line to St. Louis.

In pursuance of authority given by the stockholders, your Board have caused to be executed Three Million Dollars of First Mortgage Sinking Fund Coupon Bonds, eight hundred thousand dollars to be used in aiding the Indianapolis and St. Louis Railroad Company in building their road, the remainder to be used in retiring the Bonds of different dates issued by the Cleveland, Columbus and Cincinnati R. R. Co., the Belfontaine and Indiana R. R. Co., and the Indianapolis, Pittsburg and Cleveland R. R. Co., which companies, by consolidation, form the present company.

This mortgage will represent the entire debt of the company, after retiring the bonds referred to.

THE MIDLAND RAILROAD.—At the last annual meeting of the stockholders the President of the board, Hon. DeWitt C. Littlejohn, made his report, from which we extract the following:

To the Stockholders of the N. Y. and Oswego Midland Railroad Co.:

I submit at this time, the close of our official year, a brief statement of the progress made since our last annual meeting, in the construction of the road, its present condition and prospects. One year ago to-day, our work was but fairly commenced. Since that time we have constructed 124 miles between Oswego and Sidney, and have been operating 100 miles from Oswego to Norwich since November last—thus completing over one-half the whole distance from Oswego to the State line—and have, in addition, including the branches to Delhi and New Berlin, finished the grading and masonry for over sixty miles more, and have the ties and iron purchased ready to commence laying the track upon the same as soon as the snow disappears. The work done has been performed in the most approved manner.

STATEMENT, MARCH 22, 1870.

Receipts from town and personal subscriptions.....	\$3,932,784 48
Receipts from first mortgage bonds.....	2,340,470 00
	<hr/> \$6,273,254 48
Cost of road between Oswego and Sidney, including the New Berlin branch.....	\$5,007,497 48
Cost of telegraph between Oswego and Sidney.....	15,891 43
Cost of Denyter branch.....	98,852 79
Cost of road south of Sidney Plains.....	900,163 19
Amount advanced for fuel (mostly on hand).....	58,444 98
Interest and commissions on sale of Bonds.....	55,778 74
	<hr/> 6,136,433 61
Balance on hand.....	<hr/> \$137,510 87

There yet remains of town and personal subscriptions unexpended about \$1,900,000. It is possible that all of the personal subscriptions may not be collected, but the amount will not be large. It will be remembered that the company can raise under the mortgage \$20,000 per mile as fast as the road is completed, the proceeds of which bonds as sold will be applied to construction. Our road has cost more than our original estimates, made when the work was commenced. This comes principally from the high price of wages, the unusual wet season, the unexpectedly hard grading, and from the fact that we have used better material in construction than was originally intended—thus making the cost of the road from Oswego to Sidney Plains, including the branch to New Berlin, average about \$30,500 per mile, exclusive of buildings and equipment. It is proper to state that a large portion of the additional cost over the original estimates arises from the fact that the Directors deemed it for the permanent interest of the company to use an extra quality of iron, to adopt the best fish-plate for the joints in place of the old common chain and the

screw spike, and to construct at the more important points expensive wrought-iron bridges. While the first cost of the road is thus enhanced, it will prove to be a wise economy in the end. In the sale of the town and mortgage bonds the company have realized par, except the small commission paid for negotiating their sale. This I am confident can be said by no other railroad company in the country. We have now, as I before stated, 124 miles of our road completed, doing a local but increasing business already far beyond our anticipations. The eastern portion of our road, from Middletown to the heart of Sullivan county, will be in operation during the coming summer, and with the appropriation which it is confidently believed will be granted us by the State, our whole line from Oswego to Jersey City will be running at an early day. Our confidence in relation to an appropriation by the State is based upon the justice of the demand of the midland counties, the citizens of which have for very many years been visited by the tax-gatherer to raise money to construct public works in the more favored portion of the State. I would also add in regard to that portion of our road through New Jersey, that we have obtained control of the several charters carrying us through to the Hudson river. Under these charters we have obtained liberal subscriptions, and have procured an act from the Legislature of the State of New Jersey authorizing the consolidation of these several organizations under the title of the "Midland R. R. of New Jersey." The work on the New Jersey portion of the road is under contract from the Hudson river to the State line, and will be finished one year from the first of June next.

PORTLAND AND KENNEBEC RAILROAD—The receipts from operations of this road for the years ending December 31, 1868 and 1869, were as follows:

	1868.	1869.
From passengers.....	\$248,637 26	\$261,517 41
" freight.....	315,461 72	332,562 17
" mail.....	11,240 00	11,300 00
" express.....	19,871 43	8,74 00
" use of cars.....	13,302 45	14,100 56
" extra baggage.....	448 55	353 65
	\$599,821 35	\$631,907 79
Expenses.....	39,328 19	414,890 99
Net earnings.....	208,492 76	216,417 80
Add amounts received for rents, military service previous years, consolidated bonds sold, notes payable, etc.....		9,507 18
Total.....		\$325,925 98
From which deduct—		
Interest on bonds.....	\$85,322 92	
Interest on other loans.....	7,301 84	
Dividend on Portland and Bath stock.....	34,839 00	
Yarmouth stock dividend.....	12,144 00	
Rent of Somerset and Kennebec Railroad.....	86 000 00	
Principal funded interest on bonds.....	3,513 00	
14 per cent instalment on \$800,000 loan.....	11,25 00	
Paid sinking fund on cars and interest.....	12,850 00	
Fifteen freight cars purchased.....	8,700 00	
Paid on Portland loan, etc.....	3,075 53	
Total.....	\$215,133 37	
Less for coupons outstanding.....	8,679 00	
		209,454 37
Leaving a balance of.....		\$16,469 61
Cash on hand January 1, 1870.....		25,186 68
Total.....		\$41,656 29

The road is 63 miles in length, extending from Portland to Augusta, Me.; Branch line, Brunswick to Bath, 9 miles; Somerset and Kennebec Railroad (leased) 37 miles—total length of road operated, 109 miles.

Our city and town loan will fall due in November next. The sum for which we shall be called upon to provide will amount, after applying our sinking fund to its reduction, to about four hundred thousand dollars. For this we have already made provision in the consolidated bonds of the company, which may be negotiated at or near par, for its payment or re-investment—or in case the road shall be consolidated with any other road—then this loan will be provided for by the consolidated company. In any event we see no cause for solicitude on account of this maturing debt.

As we are, we can provide for it without inconvenience—consolidated, we think our strength would be increased.

STATEMENT OF LIABILITIES.

Capital stock issued.....	\$382,300 00
Yarmouth stock.....	302,400 00
City and town loan.....	\$300,000 00
Less sinking fund.....	247,628 48
First mortgage bonds extended.....	452,371 53
Funded interest bonds.....	229,200 00
Consolidated bonds.....	81,115 73
Port and loan.....	201,300 00
Notes, payable.....	109,000 00
	3,605 00
Total.....	\$1,971,932 30

PANAMA ROAD.—The *New York Times* says: "The changes wrought by the Pacific Railroad in the course of trade between the Atlantic and Pacific coasts and the Orient have not seriously affected the stock and prospects of Pacific Mail, but they touch very nearly, if not vitally, the Panama Company, whose shares have fallen from 280 per cent below 140 per cent, and whose dividends are reduced from 24 per cent per annum in gold to 16 per cent in currency. In our long experience in this column, which dates from the early progress of the Panama Railroad, we have recorded the most astonishing fluctuations in the stock. In 1852 it was predicted that the completion of the work would make the stock worth more than 150 per cent. Two years thereafter one or more of its leading promoters were compelled to sell at 60 or 65 per cent. The stock subsequently advanced to more than 150 per cent. In 1861, on the Trent difficulty with England, it fell to 90@95 per cent. Since then it reached 330 per cent. And now, since the completion of the Pacific Railroad, it has steadily fallen from 225 to 140 per cent. In the meantime a renewal of the charter from the New Granadian Government, which by the original concession was to terminate in twenty years after the completion of the work, has been obtained for ninety-nine years perpetuating a clause in the contract that if the Darien Ship Canal should be undertaken and successfully prosecuted, the Panama Company would be entitled to ample compensation for their exclusive privileges of transit across the Isthmus. The end of this remarkably history is yet to be written.

HASTINGS AND DAKOTA.—The *St. Paul Press* gives the following account of the above road, which the Milwaukee and St. Paul Company has just bought: "Of this railroad thirty miles are constructed from Hastings to a point ten miles west of Farmington. Its projected line, as fixed by legislation, runs, via Shakopee, through the counties of Carver, McLeod and Renville. It is endowed with about 800,000 acres of land, to obtain which the construction of 200 miles of railroad is required. Sixty miles more are required to be completed before any further lands enure to the company which had it in hand, but the Milwaukee and St. Paul, with their large resources, will find it easy to prosecute the work. It will form a valuable feeder to their line."

LAKE SUPERIOR RAILROAD.—A correspondent of the *Baltimore Sun*, writing from St. Paul, Minn., says: "The Lake Superior Railroad, which is probably attracting the attention of the entire country more than any other road in the Northwest, is now open to Kettle river, 96 miles, and the balance (50 miles to Duluth) will be completed at the rate of about one mile a day, although the formal opening will probably not occur until the 4th of July next. Over two thousand men are constantly employed on the road. Negotiations are pending, to be completed in a few days, for a lease of the Sioux City Railroad to the Pennsylvania Central, thus virtually carrying out the original plan of having one controlling power and one unbroken line from Lake Superior, via St. Paul, to Sioux City, and then on to a junction with the Union Pacific Railroad. Men are already at work in surveying the Northern Pacific route, and in less than four years cars will run direct from St. Paul to Portland, Oregon."

ILLINOIS CENTRAL.—The extension of the Cedar Falls and Minnesota Branch of the Iowa Division of this road from St. Ansagar to the Minnesota line will probably be accepted from the hands of the contractors soon. At present trains run as far north

as Mona, four miles south of the line and fifteen miles south of Austin. It is not probable that the connection with the Milwaukee and St. Paul Road between the State line and St. Paul will be of much value, as, very naturally, the Milwaukee and St. Paul Company prefers to take every thing eastward over their own lines. A company has been formed at St. Paul to provide a connection by building a line some distance to the east of the Milwaukee Road through Cannon Falls and Monticello to a junction with the Illinois Central's road near the State line. Such a road would at once open a new and independent route from Minnesota to Chicago and the East, and establish a formidable competition to the Milwaukee and St. Paul and the Chicago and Northwestern. If this line is built the Illinois Central will feel more strongly than ever the necessity of a short route from Dubuque to Chicago, a need which is likely to be supplied by one of two or three lines likely to be put under contract soon.

CATAWISSA RAILROAD.—The annual meeting of the stockholders of this company was held in Philadelphia on the 5th inst. The report of the President, which was presented, states that the receipts of the year were \$620,171 10, and working, maintenance and general expenses, \$426,348 18, leaving a balance of \$193,822 92. The result of the year's business is considered encouraging. A dividend of 7 per cent on the preferred stock outstanding was declared.

IOWA RAILROAD BILL.—A bill has passed both Houses of the Iowa Legislature which provides for a tax of one per cent on the gross earnings of all roads whose receipts exceed \$4,000 per mile, two per cent on all gross earnings between \$4,000 and \$6,000 per mile, and three per cent on all gross earnings of over \$6,000 per mile. Four-fifths of this tax is to be assigned to the counties, proportionate to the number of miles of road in each county; the remaining one-fifth goes into the State Treasury to be applied to the usual purpose of State taxes. The bridges across the Mississippi and Missouri rivers are to be taxed as other property in the localities where situated.

ST. LOUIS, ALTON AND TERRE HAUTE RAILROAD.—In an article upon railroad earnings for the month of March and for the first three months of the year, published in the last number of the *CHRONICLE*, the earnings of the above company for the three months were incorrect. The official figures at the office of the Company show as follows:

Earnings Jan., '69.....	\$132,632 81	Jan., '70.....	\$152,392 75	Inc.....	\$19,769 94
Earnings Feb., '69.....	127,817 53	Feb., '70.....	158,784 66	Inc.....	30,967 11
Earnings Mch., '69.....	175,950 05	Mch., '70.....	176,817 43	Inc.....	9 7 33
Total.....	\$436,390 41		\$488,014 84		\$51,664 43

The Belleville and Southern Illinois Railroad, of which the earnings are now included in the monthly statement, adds about 12 miles to the previous length.

TAXATION OF RAILROADS BY STATES.—The *New York Times*, in an editorial, says, upon this subject:

"The decision of the Supreme Court delivered by Chief Justice Chase, upon the right of States to tax railroads to which the United States has extended aid, and upon which it holds a pledge in the nature of a mortgage, is a very important one, not only as to the interests which it affects, but also as to the principles involved. It fully sustains the point that any corporation created by the Government as an instrumentality in the transaction of its affairs—such as the old United States Bank, for instance—could not be taxed by the States, but holds that a railroad does not come within that rule. It holds that a corporation may be an agent for the transaction of necessary service for the Government—as for instance, the carrying of mails by railroad companies—and yet that its property should be responsive to taxation the same as any other.

"In his opinion, the Chief Justice seemed to put great stress upon the point that the road which was defendant in the case was incorporated by a State,—leaving the inference that a Federal charter would have involved new questions, and possibly different decisions. We confess that we do not readily appreciate how the source of the franchise could in any manner affect the right of the State to tax a road, or how it could change the force of the reasoning of the Court. We can see, however, how the authority of the United States might easily be damaged under the decision just made. Nothing could be easier than for a road which has been largely subsi-

dized by the Federal Government, and which stands pledged to repay, and to render military service, to evade both by collusion, through taxation and sale. There is very little probability that anything of the kind will ever happen, but the fact that it may happen illustrates the importance of the principle involved."

—The *Railroad Gazette* of Chicago gives the following items:

CHICAGO, BURLINGTON AND QUINCY.—The Kansas immigration continues to furnish this road with a very heavy through business. A very significant business at this time is the heavy demand for tickets to Riverside, the daily sales averaging nearly 100 tickets. As the place has now only just begun to be, we may imagine what the regular travel may be when it is built.

—The Raritan and Delaware Bay Railroad was purchased under foreclosure proceedings the 14th day of September, 1869, and a new corporation organized under the "Act concerning the sale of railroads, canals, turnpikes, and plank roads," approved March 5th, 1858, and makes the following report of the condition of affairs from that day:

Capital stock.....	\$3,500,000 00
First mortgage bonds.....	2,000,000 00
	<hr/>
Cost of road and equipment.....	\$ 50,000 00
Number of passengers carried (not including commuters and free passengers)....	5,500,000 00
Tons of freight transported.....	5,499 00
Earnings from passengers, freight, mails and other sources, from September 15, 1869, to December 31, 1869.....	19,030 00
Operating expenses.....	72,558 66
Renewals, construction, &c.....	54,249 64
	<hr/>
	16,315 19

—The Central Railroad Company of New Jersey report for the year 1869:

Capital stock.....	\$15,000,000 00
Funded debt.....	3,400,000 00
Other indebtedness.....	647,734 20
Cost of road and equipments.....	10,811,342 38
Receipts for the year.....	\$4,010,191 78
Expenses.....	2,642,163 37
	<hr/>
	1,367,958 36

—The Morris and Essex Railroad Company report for the year ending December 31, 1869:

Capital stock.....	\$7,800,100 00
Funded debt.....	1,779,000 00
Other indebtedness.....	90,000 00
Construction account.....	9,759,082 01
Receipts for the year.....	\$2,493,691 30
Expenses for the year (November and December partly estimated).....	1,944,339 08
	<hr/>
	549,352 22

Two payments of interest, at seven per cent per annum, have been made to the stockholders by the lessees.

THE CONCORD AND NORTHERN NEW HAMPSHIRE RAILROADS.—CONCORD, N. H., May 5. —The Governor and Council this evening sanctioned the contract between the Concord and Northern New Hampshire Railroads, and it is a factuality. The contract provides for the joint management of the roads and connection for five years; the Managing Agent to be chosen by both Boards of Directors; the Concord Road to receive ten per cent on its capital stock, and the surplus to go to the reduction of the fares and freight. There are one thousand two hundred and eighty-five stockholders in the Concord Railroad at present, and the recent advance in its stock was brought about by about fifteen individuals, who sought to get control of the road. Public opinion is in favor of the present arrangement, and, as far as can be ascertained, it will be acceptable to the mass of stockholders of both roads. Governor Stearns has been selected as the manager, and has entered on his duties.

THE MORRIS CANAL AND BANKING COMPANY.—From the Annual Report of the Directors of this company we learn that the income, from all sources, for 1869 amounted to \$481,245 80; and expenditures for repairs and current expenses amounted to \$246,397 09; leaving as the profit of the year's business, \$184,848 07; an increase of over 1868 of income, of \$7,769 50. A dividend of five per cent upon the amount

of preferred stock has been declared; the interest falling due on all the outstanding mortgages, boat loan bonds and scrip certificates of the company, and the annual payment for the State grant (\$25,000) have been paid, which leaves a balance to the credit of profit and loss of \$63,226 36. The trustees of the boat loan have purchased and surrendered to the company \$1,400,000 of the boat loan bonds, which have been cancelled in accordance with the terms of the trust. Pursuant to the order of the Directors, certificates of the seven per cent dividend scrip have been purchased amounting to \$5,853, which were duly cancelled at the close of the fiscal year, and the company now hold \$969 in addition. The total amount of coal tonnage for 1869 was 384,365 tons.

—The following notices of our American railway negotiations appear in the *London Economist*: "Messrs. Turner Brothers, of Threadneedle street and New York, in conjunction with Messrs. Huggins & B. swell, of Threadneedle street, have issued a prospectus inviting subscriptions to the first mortgage bonds for \$5,000, 00 of the Indianapolis, Bloomington and Western Railway of Indiana and Illinois. The bonds are offered at the price of £168 per \$1,000. It is stated that the road is completed with the exception of about 35 miles, which is being proceeded with under contract to be finished on the 1st of June, and that the present earnings of the line are in excess of the whole amount of interest on the mortgage bonds, which is calculated to earn the first year 11½ per cent on the capital invested. Messrs. Joshua Hutchinson & Son, of Throgmorton street, are authorized by the President and Directors of the East Tennessee, Virginia and Georgia Railroad, and in virtue of an act of the Legislature of Tennessee, United States of America, to negotiate the sale of \$3,900,000 in bonds to bearer of the East Tennessee, Virginia and Georgia Railroad Company; secured by first mortgage on the completed line, 292 miles in length, and on the entire property and franchises of the Company. The number of bonds is 3,900, or \$1,000, or £200 each, issued at £82 10s. per £100, and bearing interest at the rate of six per cent per annum, payable in New York and London on the 1st of July and the 1st of January in each year. Redeemable at par in 1900, with option to the Company to redeem at the expiration of ten years. Principal and interest payable in gold." And the following in the *London Times*: "Messrs. J. H. Schroier & Co have invited subscriptions for £450,000 eight per cent gold bonds of the State of Alabama at 94½ (or 93½, reckoning allowances) payable in instalments extending to the 15th of June. The list is to close on Saturday for London and on Monday for the country. The existing direct debt of Alabama is only about £875,000, and as she meets her obligations with punctuality, and contrived to surmount honorably all the financial difficulties occasioned by the war, her securities are regarded on this side without disfavor. The present issue represents the subscription of the State to the Alabama and Chattanooga Railway, which is to form a link in the long line of communication between New York and New Orleans."

—The trustees, Capt. William H. Swift and others, to the land grant mortgage of the Hannibal and St. Joseph Road, again advertise that they are prepared to buy \$50,000 of the bonds under sealed proposals, to be left with Messrs. Ward, Campbell & Co., No. 56 Wall street.

—The subscription lists opened in London by J. S. Morgan & Co., for the first mortgage bonds of the Illinois and St. Louis Bridge Company, have been closed, the amount asked for having been successfully negotiated. The bonds are for \$4,000,000, bearing interest at seven per cent in gold, and are a first lien upon the bridge connecting St. Louis with the various railroad lines concentrating on the Mississippi River opposite the city.

—The Grand Rapids (Mich.) Eagle says: "The project of building a railroad from Muskegon to Newaygo and Big Rapids, up the Muskegon River, has been started by the citizens of Muskegon. We think it quite likely that this road will be built, and, if we were a citizen of Muskegon, we should do our best to aid in its construction. It would attract to Muskegon a considerable share of the trade of the Muskegon Valley, and bring Newaygo in direct communication with Chicago, and would tap the Grand Rapids and Indiana Railroad at Big Rapids. Muskegon has already subscribed \$25,000, and will probably vote \$30,000 municipal aid toward building this road. The contemplated project cannot be viewed in any other light than as a dangerous

competitor for the trade which this city ought to preserve, and every possible effort should be made to aid the road from this city to Newaygo.

—The gradation and masonry of the Portland and Ogdensburg Railroad have been vigorously pushed through the Winter all the way between Portland and Fryeburg. The Winter was favorable for the heavier parts of the work, and there is but little doubt that another six months will find the entire road bed ready for the superstructure. The track is to be laid for one-third of the above fifty miles by the middle of July next, as per contract.

—Says the Milwaukee Wisconsin: "Among the most important bills passed by the Legislature was one incorporating the Milwaukee and Rockford Railroad. Section two of the law empowers the corporation to survey, locate, and construct, and perpetually to have, use, enjoy, maintain, and operate a railroad, with one or more tracks or lines, over such route as they may select, from the City of Milwaukee, in the village of Mukwanago, in the County of Waukesha, to East Troy and the village of Elkhorn, in the County of Walworth, and to the State line between Wisconsin and Illinois, at or near the village of Sharon, in the County of Walworth.

—There has been organized at Ottumwa, Iowa, what is called the Ottumwa and St. Paul Railroad Company. The line is going to run from the first-named place to the latter, passing either by way of Waterloo or Cedar Rapids.

—The old New Orleans City Council have passed an ordinance directing the City Treasurer to sell the city stock in the New Orleans and Jackson Railroad, thus disregarding the injunctions of the courts.

—The Great Western Railroad of Canada and the Michigan Central are to assist in the construction of the Detroit and Eel River Road, which runs from Ypsilanti in a southwestern direction to Logansport.

—The work on the Chicago, Pekin and Southwestern Railroad is being pushed forward with vigor and energy.

—The stockholders of the Marietta and Cincinnati Railroad, on the 31st ult., authorized the issue of \$3,000,000 third mortgage bonds by parties in the interest of the Baltimore and Ohio Railroad the proceeds, to be applied to bring the Marietta and Cincinnati up to the condition of a first-class road.

—Michigan passed a general enabling act about a year ago, authorizing the various municipalities of the State to vote aid to railroads in proportion to the assessed value of their property, the bonds given for aid to be filed with the State Treasurer. Up to the 25th ult. the bonds thus filed amounted to \$2,840,000.

—The grading of the Chicago, Pekin and Southwestern Railroad (Marseilles, Ill., to Pekin) is progressing. It is completed through Livingston county, and the masonry for the bridge over the Vermillion is ready for the superstructure.

—There are now three freight lines to Montana which carry by way of the Pacific Railroad to stations in Utah and thence overland. It is thought that most of the freight will go in this way instead of by the Missouri river, as formerly.

—Construction trains will run over the St. Louis Vandalia and Terre Haute Railroad, through to Terre Haute in a few days; but the road will hardly be ready for through business before the first of May.

—The citizens of Baltimore have ratified the ordinances passed by the City Council authorizing the issue of bonds of the city to the amount of \$1,000,000 for the erection of the new City Hall, to authorize the funding of the floating debt of the city to the extent of \$300,000, and to issue \$370,000 of certificates of indebtedness, to be called water stock, and to be used in completing Druid lake and other improvements.

—The election held in Baltimore on the 7th inst., to decide whether or not the city should issue not exceeding \$2,500,000 for the improvement of Jones' Falls on the Tyson plan, resulted in the adoption of the measure. There were 16,882 votes polled, of which 8,939 were for the ordinance and 7,943 against it—making the majority for the measure 1,598.—*Railroad Journal*.

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

April opened with a depressed feeling in most branches of business. The announcement of the financial policy of the Senate, through what has been generally termed the Funding Bill, produced a general cautious feeling. Not so much that the objects of the measure were viewed with dissatisfaction, but that the measure itself was thought to be an effort to precipitate results for which the country is not yet fully ripe. The scheme, therefore, which was laudably designed to bring affairs back to a sound condition, was regarded as mischievous in its tendency; and so long as it was uncertain what might be the action of Congress upon the Bill, there was a common disposition to postpone all business operations which were not necessary; holders of securities converted them into money, under a vague supposition that they might be able to buy back at lower prices; and on many classes of merchandise, also there was considerable realizing. The effect of this process was to throw a large amount of idle money into the banks and to produce an ease in the loans unusual at the season. As the month advanced, it became a general belief that the House of Representatives was opposed to the measures of the Senate alike upon funding, banking, and specie payments, and that no policy of this character, calculated to prematurely force results, was likely to command its assent. This belief as to the sentiment in the Lower House was attended with a general recovery of confidence in business circles, trade revived, securities advanced, and at the close of the month there was a steady, healthy business in every department.

The money market has maintained a steady ease. At the beginning of the month there were some withdrawals of currency from this city to those of the adjoining States, in connection with the usual April settlements; but this movement was more limited than usual, and the withdrawn funds were soon returned. At the cities of the West and Southwest, exchanges have ruled in favor of this city, and some considerable amounts of money have been sent here from those points; a large proportion of these receipts, however, have consisted of bank notes, which, in consequence, have been redundant, and have been fully loaned, free of interest, on condition that the loans be paid in greenbacks. The rate of interest on call loans was 6@7 per cent early in the month, but subsequently ranged at 4@6 per cent. The discount market has been easy, prime paper having been scarce and readily taken at 6½@8 per cent, and being at the close 6½@7½ per cent. The following statement shows the changes in the condition of the Associated Banks during the month:

	April 30, 1870.	April 13, 1870.
Loans and discounts.....	\$269,500,000	\$271,700,000
Specie.....	28,800,000	29,800,000
Circulation.....	35,500,000	34,700,000
Deposits.....	203,800,000	206,400,000
Legal tenders.....	54,900,000	50,000,000

The market for Government bonds has been unusually active, as compared with late months, though less so than at the same period of last year, the total transactions at the exchange being \$15,200,000 against \$19,000,000 in April, 1869. The impression in the public mind that Congress will not adopt any funding measure likely to be immediately operative induced a very active demand for bonds. Banks and other financial institutions had been for some weeks postponing purchases until the prospect of funding legislation became more apparent, and upon the confident announcement that the small bill would certainly be rejected by the Ways and Means Committee there was a general rush to purchase, not only the part of corporations, but also of private investors in all parts of the country, with the result of an advance of 3@5 per cent in quotations. The foreign markets sympathized but little with this change in the home market, Sixty-twos at London having at no time ranged over 88½, while the lowest price has been 88½. The difference in the course of prices in the two markets has been adjusted by an advance in the price of gold of about four points:

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1869.	1870.	Inc.	Dec.
U. S. bonds.....	\$19,019,650	\$15,235,670	\$.....	\$3,784,000
State & city bonds.....	4,883,700	5,039,000	145,300	.....
Company bonds.....	2,018,973	2,116,800	70,825	.....
Total—April.....	\$25,922,323	\$22,381,450	.....	\$3,540,875
Since January 1.....	118,900,360	104,950,211	.....	14,019,049

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of April, as represented by the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	6's, 1881.	Comp. Reg.	1862.	1864.	6's, (5-20 yrs.) Coupon.	1865, new.	'67.	'68.	5's, 10-40 Cpn
1.....	113½	.....	110½	109½	109½	107½	108½	109½	106½
2.....	113½	.....	110½	.....	.....	107½	108½	.....	.....
3.....	114½	.....	110½	109½	108½	107½	109½	108½	106½
4.....	.....	.....	110½	109½	109½	108½	109½	.....	106½
5.....	.....	.....	.....	109½	110	108½	109½	.....	.....
6.....	.....	.....	.....	109½	110	108½	109½	.....	.....
7.....	114½	.....	110½	110	110	108½	109½	.....	105½
8.....	114½	.....	111	110	110½	108½	.....	109½	106½
9.....	.....	114½	111½	110½	110½	108½	109½	109½	106½
10.....	.....	.....	112	111	111½	109½	110	110½	106½
11.....	114½	.....	111½	110½	110½	109½	109½	110	.....
12.....	111	.....	111½	110½	110½	109½	109½	110	.....
13.....	.....	.....	111½	110½	110½	109½	109½	109½	106½
14.....	114½	.....	111½	.....	111½	109½	109½	109½	106½
15.....	.....	.....	.....	.....	Good Friday.	.....	.....	.....	.....
16.....	114½	114½	112½	.....	111½	109½	110	110½	103½
17.....	114½	.....	.....	111	111½	109½	110½	110½	106½
18.....	114½	.....	112½	111½	111½	109½	110½	.....	106½
19.....	114½	.....	112½	.....	.....	109½	110½	.....	.....
20.....	114½	.....	112½	111	111½	109½	110½	110½	106½
21.....	114½	.....	112½	111	111½	109½	110	110½	106½
22.....	114½	.....	112½	111	111½	110	110½	110½	106½
23.....	114½	115	112½	111	111½	110	110½	110½	106½
24.....	115	.....	112½	112	112½	110½	111½	111	106½
25.....	.....	115½	112½	112½	112½	111½	111½	111½	107
26.....	116½	.....	115	113½	114	.....	112½	112½	108½
27.....	116½	116½	115½	.....	114½	113½	113½	113½	108½
28.....	116½	.....	115½	114½	114½	113½	113½	113½	108½
29.....	.....	.....	.....	113½	.....	113½	113½	.....	.....
30.....	.....	.....	.....	.....	.....	113½	113½	.....	.....
Opening ..	113½	114½	110½	109½	109½	107½	108½	109½	106½
Highest ..	116½	116½	115½	114½	114½	113½	113½	113½	108½
Lowest ..	113½	114½	110½	109½	109½	107½	108½	109½	106½
Closing ..	116½	116½	115½	113½	114½	112½	113½	113½	108½

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.	Cons for mon.	Am. securities U. S. Ill. C. Erie 5-20s sh's. sh's.	Date.	Cons for mon.	Am. securities U. S. Ill. C. Erie 5-20s sh's. sh's.
Friday.....	1 93½	91½ 114½ 21½	Friday.....	23 94½	88½ 112½ 19½
Saturday.....	2 93½	91½ 114½ 21½	Saturday.....	23 94½	88½ 112½ 19½
Monday.....	4 93½	90½ 114½ 21½	Monday.....	25 94½	88½ 112½ 19½
Tuesday.....	5 93½	90½ 114½ 21½	Tuesday.....	26 94	88½ 111½ 19
Wednesday.....	6 93½	91½ 114½ 21½	Wednesday.....	27 94½	88½ 111½ 18½
Thursday.....	7 93½	91½ 114½ 21	Thursday.....	28 94½	88½ 111½ 19½
Friday.....	8 93½	91 114 21	Friday.....	29 94	88½ 111½ 19
Saturday.....	9 93½	90½ 112½ 21	Saturday.....	30 .....	.....
Monday.....	11 93½	90½ 111½ 20½	Lowest.....	93½	88½ 111½ 18½
Tuesday.....	12 94½	90½ 112 20½	Highest.....	94½	91½ 114½ 21½
Wednesday.....	13 94½	88½ 112½ 20½	Range.....	94	88½ 111½ 19½
Thursday.....	14 94	88½ 113½ 20½	Last.....	94	88½ 111½ 19
Friday.....	15 .....	.....	Low.....	92½	86½ 90½ 17
Saturday.....	16	Holl. days.	Hig.....	94½	91½ 113 22½
Monday.....	18 .....	.....	Rng.....	94	88½ 111½ 21½
Tuesday.....	19 94½	88½ 113 20½	Since Jan. 1.....	94	88½ 111½ 21½
Wednesday.....	20 94½	88½ 113 20	Last.....	94	88½ 111½ 21½
Thursday.....	21 94½	88½ 113 19½			

The stock market, after a very protracted, extreme dullness, has started into sudden activity. The movement appears to have been started by the cliques, but outsiders, who have long watched the market without any chance of making "a turn," quickly joined in and bought freely as prices advanced. The rise has been stimulated by the alleviation of the suspense growing out of financial legislation and the advance in bonds and gold, while the prospect of several weeks of ease in money has materially helped the tendency. Movements connected with the annual elections of some of the roads have helped to strengthen the market. From this cause Northwestern has advanced from 72½ to 80½, and Lake Shore from 87½ to 98½. Rock Island has risen 4½; Pittsburg, 8½; St. Paul, 5½; New Jersey Central, 6½; New York Central, 6½; Ohio and Mississippi, 1½; Reading, 6½, and Toledo and Wabash 9.

STOCKS SOLD AT THE NEW YORK STOCK EXCHANGE BOARD.

Classes.	1869.	1870	Increase.	Dec.
Bank shares	3,207	2,132	.....	1,075
Railroad "	1,518,901	414,568	.....	1,104,333
Coal "	2,712	4,091	1,309	.....
Mining "	63,769	7,810	.....	60,959
Improv't "	10,350	7,900	.....	2,350
Telegraph "	68,901	8,317	.....	60,684
Steamship "	51,457	34,111	.....	17,346
Expr's &c "	44,864	10,616	.....	34,248
Total—April	1,769,061	489,375	.....	1,279,686
Since January 1.....	6,326,349	2,622,963	.....	2,703,381

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities sold at the New York Stock Exchange during the months of March and April, 1870 :

Railroad Stocks—	March.				April.			
	Open.	High.	Low.	Clos.	Open.	High.	Low.	Clos.
Alton & Terre Haute.....	34	38	34	40	40	40	35½	36
" " pref.....	63	66	63	66	65	66	63½	64
Boston, Hartford & Erie.....	7	7½	3½	3½	3½	5½	3½	5
Chicago & Alton.....	110½	115	110	112	112½	115½	111	115
do do pref.....	115	115	109	112½	118	114½	111	115
do do scrip.....	109	109	105	105	106½	107	106½	107½

Chicago, Burl. & Quincy.....	150	150	147	147	146	147	145½	146
do & Northwest'n.....	69½	74	69½	72½	72½	80½	70½	80½
do do pref.....	8½	88½	81½	84½	83½	91	82½	92
do & Rock Island.....	119½	110½	115	119½	119	128½	118½	128½
Columb. Chic. & Ind. C.....	19½	20½	17	15½	18	20	17½	19½
Cleve. & Pittsburg.....	97½	100½	97	99½	99	107½	98½	107
do Col., Cin. & Ind.....	74½	74½	74	74½	74½	79½	74	79
Del., Lack. & Western.....	104	104½	102	102½	103	111	102½	110½
Dubuque & Sioux city.....	110½	110½	105½	107½	108	108½	108½	108
Erie.....	25½	26½	24½	23½	25½	25½	23½	25
do preferred.....	41	53	43	53	50	60	47½	48½
Hartem.....	142½	146	141½	143½	143	149½	141	148½
do pref.....	144	114	141	144	.....	.....	.....	.....
Hannibal & St. Joseph.....	106½	107½	105½	108½	105½	113	106½	113
do do pref.....	107	107½	106½	106½	106	113½	106	111½
Hudson, scrip.....	95	95	95	95	.....	.....	.....	.....
Illinois Central.....	138	143½	137	140½	139	142	133	142
Lake Sho. & Mich. South.....	85½	88½	86½	88½	87½	88½	86½	98½
Mar. & Cincin., 1st.....	19	19	18½	18½	19½	20	19	12
do 2d.....	8½	8½	8	8	.....	.....	.....	.....
Michigan Central.....	120	121	119	119½	120	126	119½	125½
Milwaukee & St. Paul.....	62½	63½	68	70½	60½	65½	68	65½
do do pref.....	73½	77	71½	74½	74	80	72½	80
Morris & Essex.....	86½	86½	86½	89½	89½	95	89½	93
New Jersey.....	118	118	116	117	117	123	117	121
do Central.....	101½	104½	101½	102½	102½	108½	101½	108½
New Haven & Hartford.....	.....	.....	.....	173	173	175	175	175
N Y Cen. & N. R. C. stk.....	94½	98	91½	92½	92	98½	91½	88½
do scrip.....	92	93½	88½	90½	89½	94½	88½	94½
do & N. Haven.....	142½	146	143½	145	143	149	143	149
do do scrip.....	143	143	138	138	134	134	134	138
Norwich & Worcester.....	108	108	108	108	106	106	106	106
Ohio & Mississippi.....	29	30½	28½	29½	29½	35½	28½	30½
do do pref.....	71	71	70½	70½	71½	71	70½	74
Panama.....	152	152	156	156	153	153	157	153
Pitts., F. W. & Chi. guar.....	92	93½	92	93½	93½	94½	93½	94½
Reading.....	97½	97½	96½	97½	97½	104½	96½	108
Rome, W. & O.....	.....	.....	.....	.....	118	113	113	115
St. Louis & Iron Moun.....	42½	43½	42½	43½	43½	44½	42½	44½
Stonington.....	.....	.....	.....	.....	87	87	87	87
Toledo, Wab. & Western.....	43½	46½	43½	45½	45	45½	45	54
do do do pref.....	73	74	73	74	75	75	73½	75
Miscellaneous—								
American coal.....	.....	.....	.....	.....	.....	.....	.....	.....
Cumberland Coal.....	30	31½	28	31½	32	32½	28½	32½
Pennsylvania Coal.....	217	217	217	217	220	225	220	225
Del. & Hud. Canal.....	119	120	115½	115½	116½	124½	116½	124½
Atlantic Mail.....	.....	.....	.....	.....	27	27	23½	25
Pacific Mail.....	38	38½	30½	38½	37½	43	31½	43½
Boston Water Power.....	17½	17½	17½	17½	17½	17½	16½	16½
Canton.....	58½	66	58½	63	65	73	61½	71
Mariposa.....	7	7½	6½	7	8	8	6½	8½
do 1st pref.....	48½	49½	49½	49½	.....	.....	.....	.....
do pref.....	19	20½	10	13½	13	16½	10	16½
do los certif.....	45	52½	45	44	46	46½	41	46½
Quicksilver.....	12½	12½	8½	10	10	10½	8½	10
do pref.....	.....	.....	.....	.....	16½	16½	16½	16½
West. Union Telegraph.....	34½	24½	31	32½	33	33½	30½	33½
Citizens Gas.....	162	162	160	160	.....	.....	.....	.....
Bankers & Brokers Ass.....	112½	113	113	112½	111½	111½	111½	111½
Building Material.....	.....	.....	.....	.....	.....	.....	.....	.....
United States Trust.....	170	170	170	170	.....	.....	.....	.....
Express—								
American M. Union.....	39	39½	37½	39	39½	39	37½	39
Adams.....	61½	63	60½	61	61½	63½	60½	63½
United States.....	51	53	46½	47	46½	47½	41½	43½
Wells, Fargo & Co.....	21	21½	20	19½	19½	21	19½	19

Gold has been more active, but the speculative transactions have not been large. The anticipation of the payment of the May interest upon the public debt, and subsequently its prepayment had some effect in checking the buoyancy of the market, but to set off this, there has been an expectation that the remittances to Europe, on account of May coupons, sent for collection, would induce a very firm condition of the Exchange market. The main cause of the rise appears to have been the advance in Government bonds, which produced such a

disparity between quotations on the home markets and the foreign as to necessity either a free importation of bonds, or a rise in the gold premium. The highest price during the month was 115½, and the lowest 111½; the opening 111½, and the closing 115. The Government sold during the month \$2,000,000 of coin.

COURSE OF GOLD AT NEW YORK.

Date.	Open'g	Lowest	High'st	Closing	Date.	Open'g	Lowest	High'st	Closing
Frid y.....	111½	111½	111½	111½	Monday.....	25	111½	113½	113½
Saturday.....	111½	111½	111½	111½	Tuesday.....	26	113½	113½	113½
Monday.....	411½	111½	111½	111½	Wednesday.....	27	113½	113½	113½
Tuesday.....	511½	111½	111½	111½	Thursday.....	28	115	114½	115½
Wednesday.....	611½	111½	112½	111½	Friday.....	29	115½	114½	115½
Thursday.....	711½	112½	112½	111½	Saturday.....	30	114½	114½	115
Friday.....	811½	112½	112½	113½					
Saturday.....	911½	112½	113½	113½					
Monday.....	1113½	112½	114½	113½	April 1870.....	111½	111½	115½	115
Tuesday.....	1211½	112½	113½	113½	" 1869.....	14½	.....	.....	14½
Wednesday.....	1311½	111½	112½	113½	" 1868.....	38½	137½	140½	139½
Thursday.....	1411½	111½	113	113	" 1867.....	139½	132½	141½	135½
Friday.....	1511½	112½	113½	113½	" 1866.....	128½	125	129½	12½
Saturday.....	1611½	113½	113½	113½	" 1865.....	151½	143½	154½	146½
Monday.....	1711½	113½	113½	113½	" 1864.....	167	162½	184½	173½
Tuesday.....	1811½	113½	113½	113½	" 1863.....	157	145½	157½	150½
Wednesday.....	1911½	113½	113½	113½	" 1862.....	104	101½	102½	102
Thursday.....	2011½	112½	112½	113½	" 1861.....	100	100	100	100
Friday.....	2111½	112½	113	113	Since Jan 1, 1870.....	113½	110½	110½	115
Saturday.....	2211½	113½	113½	113½					

The following are the quotations of Foreign Exchange:

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. M. banco.	Berlin cents for thalers.
1.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	77½ @ 78	35½ @ 35½	70 @ 70½
2.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	77½ @ 78	35½ @ 35½	70 @ 70½
3.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78 @ 78½	35½ @ 35½	70½ @ 71
4.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
5.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
6.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
7.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
8.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
9.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
10.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
11.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
12.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
13.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
14.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
15.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
16.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
17.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
18.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
19.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
20.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
21.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
22.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
23.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
24.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
25.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
26.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
27.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
28.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
29.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
30.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	78½ @ 78½	35½ @ 35½	70½ @ 71
Apr., 1870.....	108½ @ 108½	543½ @ 542½	40½ @ 40½	77½ @ 78	35½ @ 35½	70 @ 70½
Apr., 1869.....	107½ @ 109½	525 @ 516½	39½ @ 40½	78 @ 78½	35½ @ 35½	70½ @ 71½

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. Clear'gs
Jan. 8.....	258,475,451	35,664,880	84,132,280	190,169,961	42,537,735	593,170,114
Jan. 15.....	259,101,106	37,510,467	83,964,843	202,396,331	52,948,475	596,733,681
Jan. 22.....	259,592,786	39,454,003	83,806,721	207,479,343	54,619,443	590,685,911
Jan. 29.....	260,334,371	40,475,714	83,712,284	210,150,019	56,733,168	549,124,555
Feb. 5.....	264,514,119	38,997,246	83,746,481	214,739,170	58,343,284	541,340,204
Feb. 12.....	265,564,652	38,772,194	85,703,573	213,191,740	56,603,000	510,842,824
Feb. 19.....	267,337,368	37,364,367	83,694,371	212,188,882	55,144,066	511,151,875
Feb. 27.....	268,433,642	35,001,340	83,840,905	211,132,943	53,771,824	459,584,815
Mar. 5.....	268,684,212	35,693,493	85,783,942	213,078,341	54,063,983	603,182,507
Mar. 12.....	268,140,603	35,390,135	83,835,783	209,881,325	53,320,004	548,015,737
Mar. 19.....	270,001,633	32,014,747	83,699,565	203,516,333	52,774,420	525,079,531
Mar. 26.....	270,807,568	32,271,253	83,674,394	203,910,713	52,685,063	482,253,035
Apr. 2.....	271,756,811	29,837,183	83,676,564	206,412,430	50,011,793	516,052,093
Apr. 9.....	272,171,833	28,767,692	83,734,253	201,752,434	47,570,633	476,845,358
Apr. 16.....	269,981,721	26,879,513	83,693,258	202,912,089	51,180,040	439,463,971
Apr. 23.....	269,016,370	25,310,332	83,616,948	203,583,375	48,119,446	444,603,369
Apr. 30.....	269,504,265	25,17,596	83,506,393	203,759,350	54,944,565	653,515,115

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
Jan. 8.....	51,682,662	1,590,096	12,670,193	38,990,101	10,568,880
Jan. 10.....	51,472,570	1,359,919	12,992,812	38,877,139	10,561,222
Jan. 17.....	52,040,611	1,359,772	12,994,924	39,855,483	10,581,502
Jan. 24.....	51,635,085	1,063,406	13,237,515	39,504,729	10,577,215
Jan. 31.....	51,709,678	995,463	13,552,587	39,539,011	10,534,465
Feb. 7.....	51,28,563	957,510	13,741,807	39,512,149	10,568,811
Feb. 14.....	51,373,396	1,090,955	13,319,610	38,831,704	10,573,383
Feb. 21.....	51,329,931	1,202,456	13,236,144	39,55,165	10,732,973
Feb. 28.....	51,523,024	1,343,173	13,406,638	39,379,859	10,508,105
Mar. 7.....	51,400,331	1,429,807	13,192,282	39,033,043	10,576,529
Mar. 14.....	51,417,645	1,677,318	12,704,979	39,382,352	10,565,909
Mar. 21.....	51,687,837	1,582,272	13,125,638	39,741,163	10,574,454
Mar. 28.....	51,454,683	1,599,517	13,094,295	39,781,173	10,586,611
Apr. 4.....	51,898,135	1,540,747	12,769,911	38,771,237	10,573,771
Apr. 11.....	52,41,633	1,499,499	14,052,877	39,779,143	10,571,794
Apr. 18.....	51,928,431	1,311,127	13,882,761	41,093,306	10,571,509
Apr. 25.....	52,019,535	1,063,741	14,627,013	41,677,500	10,575,120

BOSTON BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
Jan. 8.....	108,985,214	3,765,849	11,374,559	40,007,225	25,260,893
Jan. 10.....	107,895,263	4,977,254	10,941,125	42,176,640	25,298,635
Jan. 17.....	107,944,017	5,418,001	10,794,821	42,877,002	25,191,545
Jan. 24.....	108,887,469	5,442,674	10,982,102	41,593,588	25,255,818
Jan. 31.....	107,675,579	5,231,785	10,992,982	40,696,016	25,206,094
Feb. 7.....	109,688,041	5,045,001	10,493,107	40,003,893	25,160,654
Feb. 14.....	109,997,027	4,884,147	9,326,466	39,918,414	25,212,614
Feb. 21.....	109,651,373	4,634,776	9,386,366	38,47,353	24,290,366
Feb. 28.....	108,905,869	4,457,143	9,918,129	37,638,843	25,225,639
Mar. 7.....	109,367,431	4,929,867	8,755,874	37,681,983	25,260,268
Mar. 14.....	108,014,028	5,024,691	8,510,573	37,708,092	25,280,037
Mar. 21.....	107,884,867	5,170,700	8,352,761	37,093,823	25,270,437
Mar. 28.....	107,043,309	5,191,343	8,499,444	37,123,211	25,265,004
Apr. 4.....	106,722,859	5,163,494	8,470,455	38,831,613	25,278,442
Apr. 11.....	106,566,094	5,067,341	8,162,089	39,504,080	25,285,103
Apr. 18.....	106,569,373	4,851,954	8,276,721	39,532,827	25,291,205
Apr. 25.....	106,012,537	4,636,884	8,872,670	39,920,142	25,231,817